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FINANCIAL TIMES

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NEWS SUMMARY

ENERAL

'UVF plot' men charged

...ur men alleged to have ...en part in an Ulster Volunteer Force plot appeared before ...heavily-guarded court in Glas...w yesterday. They were sent ...trial together with two Bel...st men who did not appear.

All six are alleged to have ...spired with others to further ...UVF by criminal means, to ...tain firearms and explosives ...d to make them for causing ...ury. Two are also accused of ...livering explosives and fire...ns to Ulster.

Four people were injured ...en Ulster's peaceful Christ...s was shattered last night by ...bomb outside a pub near ...ughall.

Christmas story

...the first time in years, the ...ention of the Christian world ...s focused over the holiday ...the traditional elements of ...istmas rather than upon the ...ies and frailties of men. ...re were no major disasters ...save in hapless Beirut, few ...n raised a hand against ...ther.

With newspapers absent, most ...s broadcasts led their bulle...s with the events in Jerusa...m where thousands of pilgrims ...n all over the world were ...sted in their enjoyment of ...packed out ceremonies ...tels are full) by a TV screen ...cted in Manger Square in ...ht but frosty weather.

...tish doctor Sheila Cassidy is ...be freed by the Chileans on ...oday. Page 9

Not all goodwill

This is not to say, however, ...all was peace and goodwill ...that there were not many per...al tragedies. A 14-year-old ...was brutally murdered on ...beach at Eastbourne. And in ...arkshire, a four-year-old boy ...d in a house fire. On Christ...Eve in Tipperary, a mother ...three daughters died when ...istmas tree lights set their ...e on fire. In Sydney, the ...th of a woman brought to 14 ...number burned to death in a ...l fire.

Love's Labour's lost

...omputers, vaunted techno...cal miracles of the modern ...have often been accused of ...ing to live up to their expec...ons. Now, they are being ...used of turning in a ...idedly poor record compared ...Cupid's less advanced bow ...arrow.

...ustomers of marriage ...eaux, dating firms and intro...tion agencies, many of which ...computers, have complained ...much about mis-matching that ...Office of Fair Trading is to ...t an investigation.

Kriter II out

...ere gales and heavy seas have ...ed the French entry Kriter ...out of the FT Clipper Race ...rtly after the start of the ...rn journey from Sydney. ...ian entry CS e RB11 was ...lly battered about. Kriter, ...helpless and adrift, was ...of the favourites for the ...ond leg. Page 14

Holiday sport

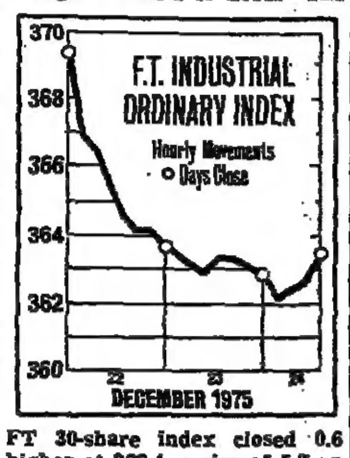
...first half of soccer's ...istmas Double brought a ...nt to Liverpool and two to ...nderland, leaders of the first ...l second divisions, while two ...the challengers, Derby and ...lton, played without reward. ...tal attendance was over ...,000 at 42 matches. There was ...le crowd disturbance.

...n Melbourne, with beer flow...: on a hot day, no less than ...ee streakers enlivened pro...edings on the first day of the ...ird Test. Thompson (5-62) ...d Lillee (4-56) made short ...rk of the West Indies (244 all ...t) after Australia put the ...tists in to bat. At the close, ...stralia were 38-0.

BUSINESS

Equities 5.3 ahead at end of Account

● EQUITIES had a quiet Christmas Eve, with the official close brought forward to noon. The



FT 30-share index closed 0.6 higher at 363.4, a rise of 5.3 on the Account.

● GILTS improved a little on expectations of the afternoon announcement of a cut in Minimum Lending Rate. The Government Securities index hardened 0.03 to 59.39 for an uninterrupted rise of 0.98 over the last seven trading days.

● GOLD was unchanged at $140.75.

● WALL STREET was 7.87 up at 859.81 at the close yesterday, after an 8.19 rise on Christmas Eve. The improvement was mainly due to year-end reinvestment and a favourable outlook for U.S. economic recovery.

India takes over oil business

● INDIA is to nationalise the Burmah Shell Bombay refinery and its national marketing arrangements. Joint owners Burmah Oil and Shell International are to receive £23m. compensation. Back Page

● ESSO EXPLORATION, which has a half share in Japan's first offshore gas field, appears to be moving towards a decision that the field does not merit commercial exploitation. Page 11

● JAPAN'S EXPORTS of motor vehicles totalled 240,386 units in November, a fall of 3.7 per cent. from October, but a rise of 9.4 per cent. over last November.

Steel price rise expected soon

● INDUSTRY appears to be expecting an increase of about 10 per cent. in the price of most British Steel products within the next few weeks. Page 4. Private steelmakers look likely to invest £80m. in new plants. Page 9

● SLATER WALKER'S investment division, which includes about £200m. of unit trust funds and a further £40m. of private clients' investments, has been given a "clean bill of health," by merchant banks N. M. Rothschild and Hambros. Page 11

● LLOYDS BANK is to raise its charges for ancillary services early in the New Year and the other big banks are expected to follow. Ordinary current account holders will not be affected, as the bank's claim for more general increases has been resisted by the Price Commission.

LABOUR

● BRITISH LEYLAND is to introduce a company-wide contributory pension scheme for its 37,500 staff next summer. A similar plan for its 120,000 manual workers was introduced in September. Page 11.

● SCOTTISH Trades Union Congress has been asked to recall its Scottish Assembly, which last met when the Heath Government was in power. Ayrshire Trades Council wants the Assembly to put pressure on Westminster to act over Scottish unemployment.

U.S. heading for biggest annual trade surplus

BY JUREK MARTIN U.S. EDITOR, Washington Dec. 26

The United States will record its biggest-ever trade surplus this year, in marked contrast to last year's $2.4bn. deficit. Last month alone, exports exceeded imports by $1.1bn.

This brings the surplus for the year to date to $10.6bn. and makes it an absolute certainty that this year's performance will eclipse the record $7.1bn. of 1964.

This represents both good and potentially worrying news for the Ford Administration.

In domestic terms, the trade figures have proved in the last six months to be the one consistently bright spot in an increasingly cloudy economic picture.

With his management of the economy bound to be under attack from both the Republican Right and the Democratic Left in next year's elections, President Ford may be able to make some political capital from this record.

On the other side, however, lies uncertainty.

Imports

First, the Administration's economists believe that this level of surplus cannot be maintained and that the rise in non-oil imports already evident in the statistics could well bring the U.S. back into the red by the middle of next year.

Secondly, the recent strength of American foreign trade, which has fortified the overall balance of payments and lifted the value of the U.S. dollar, makes it more difficult for the U.S. to obtain the sort of equitable deal it wants in the present trade negotiations in Geneva.

It certainly adds to persistent foreign complaints that the U.S. is not doing enough to assist the industrialised world in pulling itself out of widespread international recession.

Of the trade statistics themselves, once again the most intriguing item concerns oil imports. Across the board, exports have risen 9 per cent. so far this year, against a 5 per cent. increase in imports.

However, in November, imports of petroleum fell by nearly $90m. compared with October. This means that for the first 11 months, the U.S. has imported 1.98bn. barrels of oil (against 2.02bn. in the same period of 1974) with a value of $22.8bn., only $500m. higher than last year.

At the same time, non-oil imports are continuing to pick up, led by the machinery and car sectors.

It is this trend, evident for the last three or four months, that economists feel will erode the trade surplus next year, assuming a reasonable level of economic expansion in the domestic economy.

It is precisely this which assumes enormous importance in an election year. After the great leap forward of the third quarter of 1975, when GNP forged ahead by 13.2 per cent., the economic outlook has gone rather sour.

The sharp advance from recession was, it is clear now, largely fuelled by inventory running-down and tax cuts.

Now, sales are sluggish, production not what it might be, consumer prices still going up by an annual rate of 8.4 per cent., and unemployment still standing at over 8 per cent. The cumulative effect of all this has been to make the Administration's third-quarter optimism look a little premature.

But the one advantage a President has in an election year is his ability to manipulate the economy so that it is looking its best as the nation goes to the polls.

President Ford has already shown his awareness of this by compromising with Congress over the Tax Bill.

Recovery

If he had not backed down, Americans would have been paying $18bn. in higher taxes in the first half of next year, with undoubtedly some deleterious effect on the pace of the economic recovery.

According to the OECD's latest estimates, the U.S. can expect real growth of 5.75 per cent. in 1976, but, as the New York Times has pointed out, this is historically low for an election year.

It would imply, for example, a

Continued on Back Page

TU-144 first—but it's freight only

MOSCOW, Dec. 26.

THE SOVIET Union to-day became the first country to inaugurate a regular supersonic air service.

A Tupolev-144 left Moscow's Domodedovo airport shortly before noon and touched down one hour, 58 minutes and 1,900 miles later at Alma-Ata, capital of the Central Asia Republic of Kazakhstan. After a brief stopover, the craft returned to Moscow. The flight was the first of a scheduled twice-weekly service between Moscow and Central Asia for "Concordski," so called because of its resemblance to the Anglo-French Concorde—from its droop nose and delta wings, to its similar seating capacities, speed and range.

Snow in Kazakhstan forced a 24-hour postponement of the first flight, originally scheduled as a gala Christmas Day occasion.

The aircraft run carried only freight and mail—as will all the TU-144 flights until June at the earliest.

Recently, Mr. Nikolai P. Bykov, Deputy Minister of Civil Aviation, spoke of "some unresolved questions" about the TU-144. These were the reasons why, he said, the aircraft initially would fly over relatively unpopulated areas between Moscow and Alma-Ata.

Western aviation experts say it could be that some more fundamental problems remain to be ironed out of the aircraft, a prototype of that which crashed at the 1973 Paris Air Show, killing 14 people.

Michael Donne writes: The Anglo-French Concorde starts fare paying passenger services to Bahrain and Rio de Janeiro on January 21.

Although no reason is given for the Soviet decision to use the next few months only for freight and mail flights it is believed in the West that there is no more sinister reason for this other than that the Soviet aircraft's flight test programme is not yet completed.

The test programme was delayed as a result of the Paris accident. It is probable that the Soviet airworthiness authorities and manufacturers want to be completely sure that the modifications they have made to the aircraft since then are satisfactory before clearing the aircraft for passenger service.

Communists 'arrested' in Syria

BY MICHAEL TINGAY IN CAIRO AND IHSAN HIJAZI IN BEIRUT

THE SYRIAN Government has arrested 300 leading Communists who objected to the régime's links with the U.S., according to nearly identical reports published in three Cairo newspapers yesterday.

The reports said that Mr. Khaled Bakdash, the leader of the Syrian Communist party, which is represented in the National Progressive Front coalition government, had escaped abroad. A Syrian Government spokesman has denied these reports.

The newspapers, Al Ahram, Al Akhbar, and Al Goumouria, claimed that President Hafez Assad was so angry at the escape of Mr. Bakdash that he ordered the arrest of the head of the passports department at the Ministry of the Interior and the director of Damascus airport security.

Visit

Al Akhbar also claimed that the Economics Minister, Mohamed Al-Imadi, had asked the U.S. for 100,000 tons of wheat, 75,000 tons of rice and other supplies.

The reports, which coincided with the second day of a visit to Damascus by King Khaled of Saudi Arabia, suggested that there were disagreements within the dominant Ba'ath Party over President Assad's forthcoming visit to Iran, and that a number of Ba'athists had been arrested.

But Syria has accused Egypt of floating false reports in order to undermine King Khaled's Arab mission. A Government spokesman said that as far as he knew not one Communist was in prison. The arrests were denied and it was stated that Mr. Bakdash had been at a reception at the North Vietnamese embassy only two days ago, reports our Damascus correspondent.

Observers in both Cairo and Beirut point out that the reports should be seen in the light of the current feud between Egypt and Syria over the Sinai Disengagement Agreement, which the Syrian régime has bitterly attacked. It is suggested that there is nothing that Cairo would like better than the Syrian régime swinging towards the U.S.

James Buxton writes: Despite the Syrian denial and the fact that the reports were published in Cairo, which can hardly be considered impartial, it is quite possible that some kind of purge has occurred. But it would probably be a mistake to assume that a major shift has taken place with implications for the Middle East peace-making process.

Even minor changes of Syria's external position have been accompanied by agonising strains within the highly complex Syrian body politic. If Communists have been arrested it might be because of their opposition to an agreement reached between President Assad and Lebanese Premier Rashid Karami earlier this week, which is thought to have included a promise that Syria would restrict arms supplies to Left-wing groups in Lebanon.

Arrests could equally have been made to protect King Khaled, a staunch anti-Communist, on his visit to Syria. His support is crucial to the Syrian government, both for the money which he pours into the Syrian armed forces and for the weight his government can bring to bear in the rest of the world.

There have recently been indications that dissent within Syria has been on the increase. In April about 100 members of the Ba'ath Party Congress were arrested prior to the elections for the party Regional Command. It was feared by the régime that they were opposed to President Assad's policies.

In the past few weeks visitors to the Syrian capital have had the impression that elements within the Government establishment want to embarrass the régime because of its rapprochement with the West in general and with the U.S. in particular. Syria resumed diplomatic relations with Washington after the October 1973 war, following a rupture dating back to 1967.

Attacks

There are reports that there were bomb attacks on the homes of Alawite Moslems in the northern Latakia district a week ago. President Assad and some of his closest advisers are Alawites, although the majority of Syrians are Sunni Moslems.

If the reports of arrests are true the two Communist Party members of the 30-seat National Progressive Front might be expected to leave it, which would not please the Soviet Union—Syria's principal arms supplier. However, President Assad may calculate that since Syria is the USSR's last remaining major protégé in the Middle East conflict zone—the Soviets having lost Egypt—he can afford to risk giving some offence if his domestic position requires it.

Similarly, although the U.S. would doubtless be pleased by a removal of Communists from the régime, the Americans would probably not regard it as a very significant breakthrough. Syria regards the U.S. stand on the issue of the Palestinians and on Israel as the main stumbling blocks to what it regards as a satisfactory Middle East solution. But Syria can hardly expect that its anti-Communist move would alone persuade the U.S. to moderate its stance.

Bank loan rates may not follow drop in MLR

BY MICHAEL BLANDEN

A FURTHER fall in the cost of money is indicated now that the Bank of England's minimum lending has fallen by ½ per cent. to 11¼ per cent.

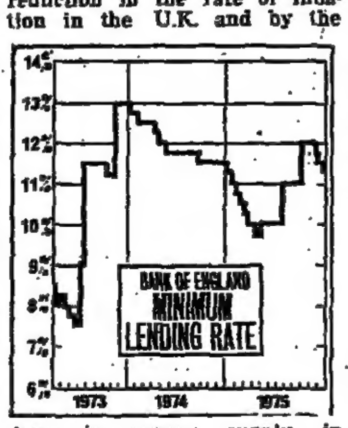
This fall which came on Wednesday and is the third in less than two months, had been widely expected in the money markets. It is uncertain, however, whether it will signal any cut in the general cost of bank loans to the general public.

Commenting on the change, Mr. George Burnett, general manager of domestic banking at National Westminster Bank, said that the modest fall in MLR was just one of the factors looked at when considering the level of the bank's own base rate. The bank, he said, would be keeping its base rates under close review.

The fall in MLR appears to be quite acceptable to the Bank of England. There is at present no real worry about the position of sterling, in spite of recent indications that the decline in interest rates in New York may have reached its bottom.

The differential between interest rates in London and the U.S. remains at over 4 per cent., an historically high level, which the U.K. authorities feel is enough at present to retain funds held in London by overseas investors.

At the same time, worries about the domestic situation, which partly prompted the last rise in MLR to 12 per cent. in October have been eased by recent signs of a significant reduction in the rate of inflation in the U.K. and by the



drop in money supply in November.

This has reflected the success of the Bank of England in selling gilt-edged securities to the general public in order to finance the Government's borrowing requirement. In the last few weeks this has continued, with rumours in the market that the authorities might decide to bring out a new stock in the low-coupon area—attractive to high tax payers—and a high-coupon stock to replace the existing short "tap" stock.

On Wednesday the pound was quite strong in limited foreign exchange dealings, with its average depreciation from December 1971 levels unchanged at 30.2 per cent., but with a slight improvement against the dollar at $2.0230, a rise of 10 points.

The drop in MLR is the third since the big banks put their base lending rates up to 11 per cent. in October, which means a rate of 12 per cent. for loans to highest-quality "blue-chip" customers. The banks point out that the increase only partly compensated for an overall rise of 2 per cent. in MLR in July and October, and that the recent trend of rates in the short-term money markets has tended to be upwards.

£ in New York

—	Dec. 26	Previous
Spot	$2.0234-2.0240	$2.0210-0220
1 month	0.56-0.70 dis	0.85-0.90 dis
3 months	2.55-2.45 dis	2.60-2.65 dis
12 months	8.20-8.10 dis	8.30-8.20 dis

Pernas set for London Tin bid

BY MARGARET REID, RECENTLY IN KUALA LUMPUR

PLANS ARE now far advanced for Pernas Securities, the Malaysian state-owned concern, to mount a take-over bid, in conjunction with Charter Consolidated, the big mining finance group, for London Tin Corporation, the world's largest tin mining company. Pernas at present has a 20 per cent. holding in London Tin.

Tengku Razaleigh, who heads Pernas, the instrument through which Malaysia is seeking to acquire larger stakes in overseas-controlled businesses operating in the country, is expected in London this weekend.

The price to be offered for the 30 per cent. holding in London Tin owned by its largest shareholder, Singapore-based Haw Par Brothers International, has still to be settled. Partly because Haw Par is not resident in the U.K., the take-over terms envisaged for the bulk of the London Tin shares probably would not be appropriate for its interest.

Informal talks are under way between the respective London merchant banking advisers to Pernas and Haw Par, N. M. Rothschild and Sons and Guinness Mahon, to try to settle this matter.

Transfer

A close interest is being taken in the plans for the future of Haw Par's London Tin shares—worth over £9m.—by Mr. Jimmy Goldsmith, the new chairman of Slater Walker Securities. Mr. Goldsmith who recently took over at SWS from Mr. Jim Slater, was in Singapore last week negotiating with the new Haw Par Board about the disputed £14¼m. ($29m.) loan his group has outstanding to Haw Par and is due to resume the talks in the New Year.

Mr. Goldsmith, who spoke when the talks were adjourned of having tried to shift them from a negative legal plane towards a more positive and constructive level, is no stranger to the tin industry. Through his first marriage, he is related to the wealthy Patino Bolivian tin dynasty, which controls Consolidated Tin Smelters, owners of important Malaysian tin smelting interests.

The Pernas-Charter Consolidated plan envisages that London Tin's domicile should be transferred from Britain to Malaysia and that the present LT shares should then be exchanged for those of a corresponding Malaysian company. This would allow shares of the new company to attract the investment premium, adding to their value.

Continued on Back Page

Slater Walker may sell Rockware stake, Page 13; Investments cleared. Page 11

WEDNESDAY'S CHIEF PRICE CHANGES

(Prices in pence unless otherwise indicated)

RISES

Treasury 11½pc 1981	£97⅞	+ ⅛
...zer (C.H.)	116	+ 3
...itish Anzani	15½	+ 3
...otherhood (P.)	70	+ 3
...veresk	65½	+ 3
...rdine Secs.	120	+ 7
...nrho	115	+ 7
...ss. Mort. Realty	775	+ 40
...rvic	31	+ 3
...gler-Hattersley	164	+ 4
...on. Hldg. & Inv.	205	+ 5
...ordon Smith "A"	92	+ 7
...trogmrtn Gth. Cap.	51	+ 4
...ger Oats	640	+ 20
...aite & Son	70	+ 3
...hite Child & Beney	49	+ 3
...ith	380	+ 50
...est Nile	380	+ 30
Sunningdale	485	+ 15
Woodside-Burmah	144	+ 4
Barymin	35	+ 5½
Conzinc Rio Tinto	265	+ 10
Thiess Holdings	250	+ 17
Utah Mining	975	+ 25

FALLS

Brentnall Beard	85	− 5
Finlay J.	125	− 5
Huntleigh	58	− 3
Pride & Clarke	109	− 4
Textured Jersey	21	− 2
Thomson Org.	216	− 5
Wade Potts.	25	− 3
Cessnock	220	− 20
Cons. Tea & Land	300	− 60
Ruo Estates	44	− 3
De Beers Dfd.	295	− 3
Hampton Areas	62	− 4
Hartebeest	£16½	− ½
Sabina	95	− 5

For latest Share Index 'phone 01-246 8026

The week in London and New York

Equities rise over the account

The three trading sessions this week have left equities lower but most of the downturn occurred on Monday with activity limited to seasonal, nominal levels thereafter. Still, the 30-Share index is modestly ahead over the account at 363.4. It has been left to gilts to provide the last minute Christmas rally: prompted by the fall in the money supply for November and the prospect of a cut in MLR the progress of our gilts index was uninterrupted over the five trading days to Wednesday when MLR promptly dropped a ½ point.

Up to Wednesday, falls among FT quoted industrials have outnumbered rises by close on three to one. The trickle of company news at this time of the year generally includes one or two nasty moments, and this week the losses at British Leyland (see later story) and Slater Walker's last minute reversal of its interim dividend decision have had little impact on sentiment. Wall Street has been weakening and the turn of events between the two super-powers over the Angolan situation may prove an influence when the stock market re-opens. Meantime, the 30-Share index is 4 per cent. short of its November peak and hang in line with the broader based Actuaries All-Share index.

December 24 a year ago, saw equities standing at 158.8: nine trading days later the backwash of the then newly emergent cash crisis at Burmah Oil had pushed the index down to its low for 1975 at 146.0. Thus this year's bull market has been one of the most remarkable ever. By March the index had doubled and by the beginning of April—having taken a sizeable reaction in their stride — equities were already pushing through 350. There may have been very little overall progress in the second half of 1975 but the basic framework of the bull market remains intact.

For their part, gilts reached their peak as early as March after a rise of around a quarter. A rally in the autumn edged the market back close to those levels and by Wednesday gilts were within 5 per cent. of this year's peak. In gold markets the year has been one of unstable extremes. The Group of Ten compromise on the sale of the IMF's gold holdings sparked-off a two day rise of around a tenth in our gold mines share index. None the less, at 230.2 the index compares with May's peak of 442.3.

As for sterling, its trade weighted depreciation is currently 30.2 per cent. against 21.9 per cent. a year ago.

Top performing sectors in four weeks from November 27	% rise
Hire Purchase	7.9
Wines and Spirits	7.4
Electronics, Radio, TV, etc.	6.5
Entertainment, Catering	3.8
Building Materials	3.6
Tobaccos	3.3
All-Share Index	+0.1

The Worst Performers	% fall
Breweries	2.7
Insurance (composite)	2.9
Merchant Banks	3.4
Office Equipment	4.0
Insurance (Life)	5.2
Shipping	8.1

Breweries fall behind

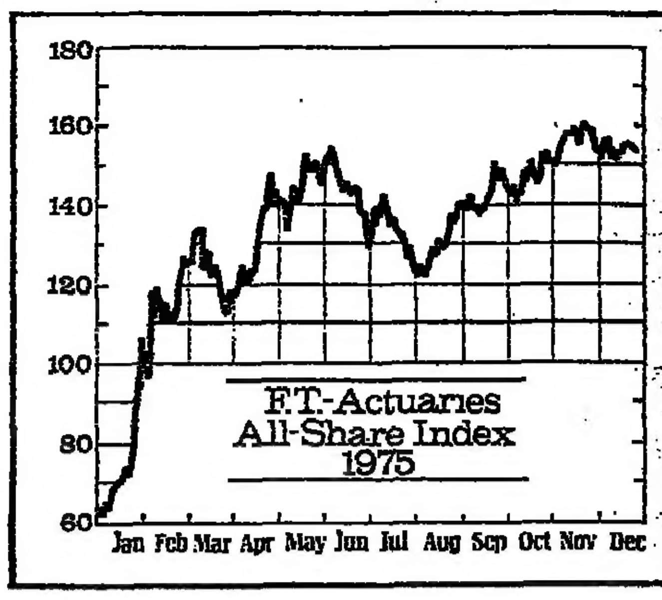
A surprising feature of the past month has been the way the brewing sector has lagged behind the All-Share index at a time of traditional seasonal strength. This is all the more surprising since several of the major brewing groups have been reporting better than expected figures for the summer period—for example, Guinness, Whitbread and Bass Charrington, while this week Greenall Whitley disclosed a pre-tax gain of nearly a third for the six months to the end of September. The common influence has been the very buoyant summer beer demand—up 4 per cent. nationally during the period—and in particular sharp advances in lager sales, up a sixth, for the Harp consortium, in which three of the majors have an interest.

The apparent paradox in the share price performances is explained by apprehension about prospects over the coming 12 months in view of rising unemployment and the continued fall in real consumer spending. Even though beer demand has been quite resilient in previous recessions, trading in 1975-76 will have to compare with this year's splendid summer. In addition, there may be more trading-down to lower margin take-home beer, as well as further pressures on hotel and wines and spirits interests. Given this uncertainty about the immediate profits outlook, several of the recent crop of brokers' circulars have argued that the sector's relative performance could be disappointing next year.

Bumper profits from superstores

The recession and price controls have meant that there are few old-fashioned growth stocks around nowadays—least of all in food retailing where there is negligible volume growth. But this week one of the exceptions, Associated Dairies, showed that there has been no slackening in its momentum, with half-year profits up 62 per cent. on a turnover advance of nearly a half. Like Kwik Save, whose profits have also been rising rapidly, the main push has come from the expansion of its superstores. Both groups have their main base in the North-West between North Wales and the Pennines, but they are intending to expand into the Midlands and the South. Apart from sales gains from new stores, a feature of both groups is increasing volume in existing stores—in Asda's case aided by a rise in the proportion of non-food sales from 20 per cent. to 40 per cent. of stores turnover.

While growth may not be as spectacular during the next 12 months as in the recent past, both groups seem to have the right formula for sustained expansion—and the growth so far has been achieved without any balance-sheet strains. The shares of both companies have been among the strongest performers during 1975, with prospective p/e multiples in the mid-teens. The apparent snag has, however, been very low yields which Kwik Save remedied with a "deep discounted" rights issue on a one-for-one basis, taking its yield up to about 4.5 per cent. At Asda, the dividend return is still under 1 per cent. and it has specifically rejected such a move even though this would still be possible under the tighter Treasury rules. Apart from not needing the cash, Asda is anyway achieving a higher return on capital employed—40 per cent. in each of the past two years—than investors would probably receive with money invested elsewhere.



The following table lists the changes in the FT Industrial Ordinary share index and its constituents over 1975 based on last Wednesday's close. The FT-Actuaries All-Share index is also given.

	Wed's. Price	% Rise since 31/12/74	1975 High	1975 Low		Wed's. Price	% Rise since 31/12/74	1975 High	1975 Low
FT Ind. Ord. Index	363.4	125.1	377.8	146.0	Guest Keen	262	172.9	277	95
Allied Breweries	67	78.7	75	35½	Hawker Siddeley	340	142.9	348	135
A.P. Cement	182	156.3	197	64	ICI	326	165.0	330	118
BOC Int.	56½	205.4	60	16½	Imperial Group	79	119.4	83	32
Beecham	336	171.5	344	116	London Brick	59	247.1	63	15
Boots	122	156.8	145	45½	Lucas Industries	177	276.6	179	37
Bowater	171	137.5	179	50	Marks & Spencer	91	82.0	128	47½
Brown (J.)	58	16.0	120	42	P. & O. Defd.	93	43.1	128	59½
Cavenham	132	221.9	154	39	Plessey	64	54.2	84	37½
Courtaulds	145	158.9	154	53	Spillers	41½	107.5	46	18½
Distillers	140	102.2	150	65½	Tate & Lyle	233	137.7	266	85
Dunlop	63	186.4	72	17	Tube Investments	312	155.7	312	121
EMI	237	276.2	241	62	Turner & Newall	143	90.7	152	71
GEC	136	143.9	147	51	UDS	87	91.2	113	43
Glaxo	366	121.8	427	198	Vickers	147	113.0	161	63
Grand Met.	76	201.0	79	17½	FT—A. All-Share	153.79	129.9	160.63	62.16

Bleak Christmas at Leyland

Monday's results from British Leyland brought little Christmas cheer to those shareholders who opted to stay with the company; down 3p to 27p this week the shares are currently worth 2.7p in relation to the 10p cash offered by the Government. For 1974-75 the group's pre-tax losses emerge at £76.1m. with the second half to September accounting for close on three-quarters of the total. Thus the trend is deteriorating sharply: sales growth of just 17 per cent. implies some big volume falls while actual unit sales dropped 17 per cent.

Predictably, cars lie at the root of Leyland's troubles. Losses here total £109m. pre-tax but trucks and buses were in profit for the year—to the tune of £27m.—and the load was spread a little further with the help of £6m. of profits from special products. Group losses continue, but this year Leyland hopes to make a profit overall. The truck/bus operations should stay in the black while according to the group production rather than demand is the problem in cars—one result of which is that working capital is currently well under budgeted levels.

Leyland's equity base was further eroded last year by £59.6m. of below the line write-offs in Australia. The £200m. of new Government equity came through after the close of 1974-75; meantime, it looks as though total group borrowings were running at around £350m. in September, against £135m. 12 months earlier.

Onlooker

No real rally

BY JAY PALMER

TRUE TO A tradition which has remained remarkably constant over past years, Wall Street now looks determined to end the year on a strong note. Following a dip in prices last Monday which appears to have stemmed from yet another burst of tax selling, the Dow Jones Industrial Index moved strongly ahead on Tuesday and Wednesday and ended 7.87 points higher by the end of trading yesterday.

By the time the market closed early on Christmas Eve ahead of yesterday's holiday, the gain was nearly 8 points. While further advances can be expected for next week, there still seems very little chance that this will mark an upward break out and a whole new bull surge. As in past months, this market needs something more than an absence of bad news to fuel a real rally.

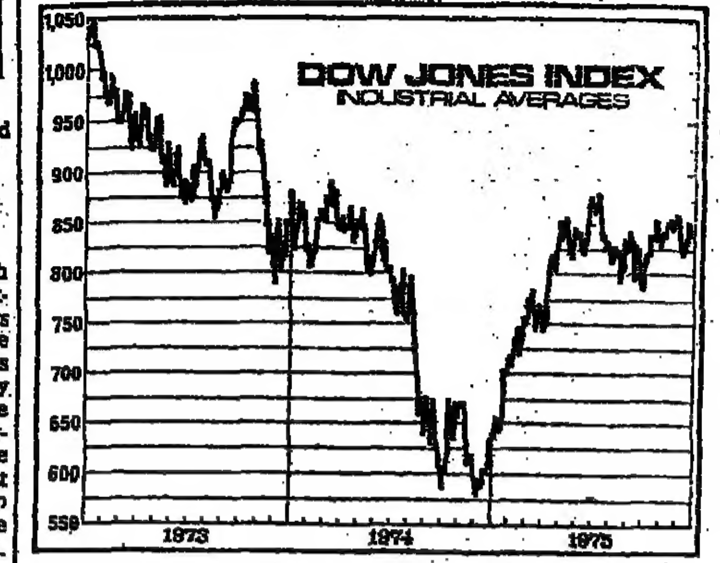
Looking back over the past 12 months, it is clear that Wall Street deserves to be described as a bull market. Up from a low of around 600, the market has regained virtually all of the ground lost during the previous year. For all this however, the rally is now a matter of history—during the second six months of the year the index has remained locked within a 50 point trading pattern.

Throughout this six month long sideways trend, market optimists predicting an imminent breakout to 1,000 vied with pessimists who equally seriously suggested a forthcoming slump to 300. In the event neither trend materialised as share prices beset by the New York city financial crisis and the shaky national economy barely managed to hold onto existing levels.

The two major issues dominating market thinking this year were without any doubt first the state of the economy and more exactly the timing of the recovery and second, the crisis of New York's finances. Over the early part of the year the market managed to surge ahead on the hope that the recovery would be strong and imminent. Later fears over high unemployment and inflation left it vulnerable to concern that the city's crisis would spread to other municipalities.

In investment terms this year has seen the large financial institutions continue to increase their domination of market trading. While many missed the market bottom and maintained high liquidity through to the spring and summer the caution born of the preceeding two-year slide now appears to be long gone. Most funds are now fully invested with current argument centring on whether equities are a better investment than bonds rather than the timing of the apocolypse.

Despite earlier projections to the contrary, this year has seen Wall Street continue maintaining a two-tier market where favourite stocks trade on relatively high premiums to the rump of the market. While many of the names and indeed industries have changed (a new favourite must be the natural resources stocks) growth and glamour continue to attract funds. Next week in this column I will be looking at some of the detailed projections now being made for next year, both for the general economy and individual market sectors.



	Close	Change
Monday	838.63	dn. 5.
Tuesday	843.75	up 5.
Wednesday	851.94	up 8.
	(early close)	
Thursday	closed	
Friday	852.81	up 7.

MINES IN THE NEWS

You could be surprised

BY KENNETH MARSTON, MINING EDITOR

YOU might think that, from the mining world's point of view, the outlook for 1976 is fairly straightforward, if not dull, and that the real fun will begin in 1977. After all, there is little doubt that mine costs will maintain their rise and that profits will continue to be squeezed until base metal prices pick up, possibly towards the end of the year.

Nor is there supposed to be any excitement on the horizon for gold which, say the observers, is unlikely to rise much in the medium term and could fall further in price if there is an easing in world inflation. There is a good deal of logic behind such views, but the mere fact that most observers are in broad agreement does make me wonder if fate is quietly preparing to upset this carefully laid out apple cart in 1976.

Intriguing deal

Be that as it may, the mining world can be expected to produce the occasional surprise packet and it looks as though an intriguing situation is building up for holders of Union Corporation. At this time last year the South African gold, platinum and industrial group was at the centre of a bid battle between Gold Fields of South Africa and the General Mining group.

The eventual winner was General Mining which, with its associates, emerged with a holding of 29.9 per cent. in Union Corporation. There, it seemed, the matter ended. But a recent intriguing development has come with the news that South Africa's Federale Mynbou is to receive R74.5m. (£42.4m.) cash from a share deal with the Afrikaner Sanlam and Volkskas institutions and the powerful Rembrandt tobacco and drinks group in partnership with the U.S. Ludwig group.

Now Federale has a direct interest of 44 per cent. and an indirect one of 13½ per cent. in General Mining which has had to borrow heavily — before South Africa's recent devaluation — in order to acquire its stake in Union Corporation.

Thus, it is argued, a merger of Federale and General Mining would make a good deal of sense; it would be a marriage of money and opportunity because the revitalised General Mining of recent years has important interests in the up-and-coming energy field, notably in coal and uranium.

And the R1.5bn. (£934m.) Rembrandt group also has aspirations in this sphere. Above all, however, we may be seeing the first moves in the formation of an Afrikaner-U.S. mining finance giant whose logical further step would be to fully acquire Union Corporation. So, whatever they say about gold, Union Corporation shares may offer interesting possibilites and they are not over-priced by current mining house standards.

Amcoal merger

While on the subject of intriguing possibilities in the energy sphere let us not overlook a gaggle of South African coal companies which, so far as U.K. investors are concerned, could hardly have been less intriguing in past years. Headed by Vereeniging Estates, they have not been brilliant earnings performers and their shares have not commanded much of a market in London.

The picture is now changing. The six companies involved are to be merged into Anglo American Coal Corporation, a name which will be associated with memories of the success of Anglo American Gold Investment. Court sanction has now been received for the scheme and dealings in Amcoal shares are to start on January 5; a London cum-premium price of around 550p looks to be on the cards.

Boosted by the world energy crisis, the revival of interest in coal shares is in danger of being overdone, although one should not overlook the longer-term potential of coal chemicals. But as a major South African grouping under the auspices of Anglo American Corporation, Amcoal shares may well appeal to the large institutional investors. Smaller fry may thus find it worth while to anticipate this by an early purchase of Vereeniging Estates. They will subsequently receive four Amcoal shares for every one Vereeniging.

Long live RTZ

Australia is also looking interesting. It now has a Government more favourably disposed to the mining industry and could conceivably devalue its currency with a corresponding benefit to export revenues. Share prices could also begin to anticipate a recovery in metals but potential investors should bear in mind the lessons of the past and play this market coolly.

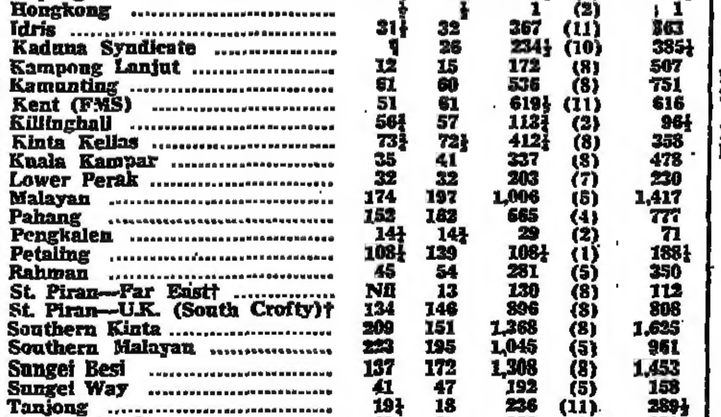
Finally, the course of the Rio Tinto-Zinc group may raise some queries now that it has lost its creative visionary, the late Sir Val Duncan. I cannot believe, however, that such a far-sighted man would not have made provision for his own passing. Furthermore, the new chairman, Sir Mark Turner, has also grown up with the group and I feel that his role may be more than that of a mere caretaker pending the eventual appointment of a younger man to the chair.

During the 13 years of its growth from small beginnings to the international mining giant of to-day, RTZ has been essentially a long term investment. Patience, in terms of dividends, would have been aptly rewarded by now had it not been for the dual blows of U.K. dividend restraint and the collapse in copper prices. But the rewards will surely come in due course from an energetic group with the vital asset of minerals in the ground and relatively young, paid-for, mines.

TIN OUTPUTS COMPARED

	Nov., 1975 Tonnes	Oct., 1975 Tonnes	Total to date Tonnes	(months)	Same period previous year Tonnes
Amal. of Nigeria (tin)	§302	*190	1,722	(8)	1,590
Amal. of Nigeria (columbite)	§22	*15	123	(8)	122
Aokam	215	258	1,186	(5)	958
Ayer Hitam	214	221	882	(5)	1,225
Berjuntai	284	313	2,212	(7)	2,575
Bisichi Jantar (tin)	¶	¶	421½	(9)	592½
Bisichi Jantar (columbite)	¶	¶	292½	(9)	485½
Ex-Lands Nigeria	*44	56	521	(11)	548
Geevor‡	75	84	564	(8)	514
Gold and Base (tin)	¶	38	312	(10)	401
Gold and Base (columbite)	¶	Nil	5	(10)	5
Gopeng	175½	182	357½	(2)	385½
Hongkong	½	½	1	(2)	1
Idris	31½	32	367	(11)	363
Kaduna Syndicate	¶	26	234½	(10)	385½
Kampong Lanjut	12	15	172	(8)	507
Kamunting	61	60	536	(8)	751
Kent (FMS)	51	61	619½	(11)	616
Killinghall	56½	57	113½	(2)	96½
Kinta Kellas	73½	72½	412½	(8)	358
Kuala Kampar	35	41	337	(8)	478
Lower Perak	32	32	203	(7)	230
Malayan	174	197	1,006	(5)	1,417
Pahang	152	162	665	(4)	777
Pengkalen	14½	14½	29	(2)	71
Petaling	108½	139	108½	(1)	188½
Rahman	45	54	281	(5)	350
St. Piran—Far East†	Nil	13	130	(8)	112
St. Piran—U.K. (South Crofty)†	134	146	896	(8)	808
Southern Kinta	209	151	1,368	(8)	1,625
Southern Malayan	223	195	1,045	(5)	961
Sungei Besi	137	172	1,308	(8)	1,453
Sungei Way	41	47	192	(5)	158
Tanjong	19½	18	236	(11)	289½
Tongkah Harbour	33	29	222	(5)	259
Tronoh	223	230	2,351	(11)	2,850
Utd. Tin of Nigeria (tin)	¶	¶	25½	(6)	31½
Utd. Tin of Nigeria (columbite)	¶	¶	Nil	(4)	Nil
Wheal Jane†	81	90	171	(2)	199

* Four weeks. † Tin metal content. ‡ Figures include low-grade material. ¶ Not yet available. § Five weeks. Outputs are shown in metric tonnes of tin concentrates.



TV Radio

BBC 1

† Indicates programme in black and white.

8.55 a.m. Bagpuss. 9.10 Jeannie (cartoon). †9.35 Whirlybirds. 10.00 Bewitched. 10.25 "Flipper And The Pirates": film. †12.00 "Anything For Laughs": Mack Sennett. 12.15 p.m. Grandstand: Football Focus (12.20); Racing (12.40, 1.10, 1.35, 2.20) from Kempton; 1.55 from Leopardstown; Motor Racing (12.55, 1.25, 2.40) from Brands Hatch. 3.00 Dr. Who. 4.25 The Basil Brush Show. 4.50 Final Score.
5.05 News.
5.15 It's Cliff and Friends.
5.50 "It's A Mad, Mad, Mad, Mad World": film.
8.20 Shirley Bassey.
9.05 Kojak.
9.55 News.
10.05 Match of the Day.
11.05 Simply Simon.
11.55 The Fight of the Year Muhammad Ali v. Joe Frazier.

All Regions as BBC 1 except at the following times:—

Wales—9.35-10.00 a.m. Telifant.

Scotland—5.00-5.05 p.m. Scoreboard. 10.05-11.05 Sportscene Special. 12.55 a.m. Scottish News.

Northern Ireland—5.00-5.05 p.m. Northern Ireland News. 12.55 a.m. Northern Ireland News.

BBC 2

1.25 p.m. The Grimethorpe Colliery Band Play Away.
2.00 "War And Peace": film starring Henry Fonda, Audrey Hepburn.
5.20 Palio.
5.50 Mr. Magoo: Military Magoo.
5.55 A London Summer.
6.40 Pot Black.
7.05 News.
7.20 The Old Grey Whistle Test.
8.20 "Frankenstein: The True Story": film.
11.15 News.
†11.20 "Key Largo": film starring Humphrey Bogart.

LONDON

9.00 a.m. The Beachcombers. 9.30 Thunderbirds. 10.20 The Jetsons. 10.50 Junior Police Five. 11.05 The Adventures of Black Beauty. 11.35 Planet of the Apes. 12.30 p.m. World of Sport: 12.35 On the Ball; 1.00 International Sports Special; 1.10 News; 1.20 The ITV Seven—Racing; 3.10 International Sports Special; 3.30 Half-time Round-up; 4.00 Wrestling; 4.50 Results Service.
5.10 News.
5.20 New Faces.
6.20 Supersonic.
7.20 Sale of the Century.
7.50 "Carry On—Don't Lose Your Head": film.
9.30 The Peters and Lee Story.
10.30 News.
10.45 The Homecoming: TV film.
12.30 a.m. The Gabriel Assignment.

All ITV Regions as London except at the following times:—

ANGLIA

9.50 a.m. Paulus. 10.00 Sammy Hamster's Adventures on the Riverbank. 10.15 Spiderman. 10.40 Adventures in Rainbow Country. 11.10 Clapperboard. 11.35 Tarzan. 5.20 p.m. The Flintstones. 5.50 Hogan's Heroes. 6.20 New Faces. 7.50 Film: "North To Alaska," starring John Wayne. 10.45 Aquarius. 11.30 The Persuaders. 12.25 a.m. A Carol for the Christmas Season.

ATV MIDLANDS

9.45 a.m. Tiswas. 5.20 p.m. Cartoons. 5.30 Sale of the Century. 6.00 New Faces. 7.00 Cartoon. 7.05 Six Million Dollar Man. 8.05 Film: "McCoy, The Big Rip Off." 10.45 Aquarius. 11.30 University Challenge.

BORDER

9.40 a.m. Dodo The Space Kid. 9.45 Paulus The Woodgnome. 10.00 Dusty's Trail. 10.25 Thunderbird Six. 12.00 Skippy. 5.20 p.m. The Persuaders. 6.20 New Faces. 7.50 The Games. 10.45 Aquarius. 11.30 Oscar Peterson presents Dizzy Gillespie.

CHANNEL

5.20 p.m. The Woody Woodpecker Show. 5.50 New Faces. 6.30 Sale of the Century. 7.20 A Funny Thing Happened on the Way to the Forum. Film. 10.45 Aquarius. 11.30 The Evil Touch.

GRAMPIAN

†10.55 a.m. King Kong vs. Godzilla. Film. 5.20 p.m. Cartoons. 5.30 Sale of the Century. 6.00 New Faces. 7.00 Space 1999. †7.55 The Purple Plain. Film. 10.45 Aquarius. 11.30 University Challenge. 12.00 Evening Prayers.

GRANADA

9.15 a.m. Sesame Street. 10.10 Supersonic. 11.00 The Crazy Gang in The Frozen Limits. 5.20 p.m. Born Free. 6.20 New Faces. 7.50 The Games. 10.45 Aquarius. 11.30 The Shuttered Room. Film.

HTV

10.00 a.m. Sesame Street. 11.00 Orbit. 11.30 Elephant Boy. 12.00 University Challenge. 5.20 p.m. Supersonic Christmas Special. 6.20 New Faces. 7.50 The Games. 10.45 Aquarius. 11.30 Russell Harty Goes Upstairs, Downstairs.

HTV Cymru/Wales—as HTV General Service except 7.25-7.50 p.m. Sion a Sian.

SCOTTISH

10.25 a.m. Oddbodd: Film. 6.20 Space 1999. 7.50 The Games Film. 10.45 Aquarius. 11.30 Late Call. 11.35 Police Story.

SOUTHERN

9.15 a.m. Tabitha and Adam and The Clown Family. 9.55 Bugs Bunny. 10.15 Supersonic. 11.10 The Lone Ranger. 11.35 Daniel Boone. 5.20 p.m. Cartoons. 5.25 The Magician. 6.25 Sylvester 6.35 Bridget Loves Bernie. 7.05 Sale of the Century. 7.35 Man About The House. 8.05 McCoy, The Big Rip Off. Film. 10.45 Police Story. 11.45 Bygones. 12.15 a.m. Weather followed by Guideline.

TYNE TEES

10.00 a.m. Ski-jog with Gina. 10.25 Thunderbirds Six. 12.00 Skippy. 5.20 p.m. Space 1999. 6.20 New Faces. 7.50 The Games. 10.45 Aquarius. 11.30 The Six Million Dollar Man. 12.30 a.m. Epilogue.

ULSTER

10.30 a.m. Fencing. 11.00 Adventures of the Seaspray. 11.30 Sesame Street. 5.20 p.m. Six Million Dollar Man. 6.20 New Faces. 7.50 Columbo. Swan Song. 10.45 Aquarius. 11.30 Fire House.

WESTWARD

9.50 a.m. Sesame Street. 10.50 Look and See. *0.55 Supersonic Christmas Special. 11.55 The Beachcombers. 12.25 Gus Honeybun's Birthdays. 5.20 p.m. Cartoon. 6.20 New Faces. 7.50 Sale of the Century. 7.20 A Funny Thing Happened on the Way to the Forum. Film. 10.45 Aquarius. 11.30 The Evil Touch. 12.00 Faith For Life.

YORKSHIRE

10.45 a.m. Little Rascals. 10.00 Paulus the Woodgnome. 10.10 Dodo the Space Kid. 10.15 Baldmoney, Sneezewort, Dodder and Cloudberry. 10.25 Thunderbird Six. 12.00 The Amazing Chan and the Chan Clan. 5.20 p.m. Space 1999. 6.20 New Faces. 7.50 The Games Film. 10.45 Aquarius. 11.30 The Odd Couple.

RADIO 1 247m

(S) Stereophonic broadcast

6.00 a.m. As Radio 2. 8.06 Ed Stewart (S) (also on VHF). 10.00 Rosko. 1.00 p.m. Cleo Laine and John Dankworth's Top Twelve (S) (also on VHF). 2.00 Alan Freeman (S) (also on VHF). 5.00 Paul Gambaccini (S) (also on VHF). 6.30 Steeleye Span (S) (also on VHF). 7.30-12.33 a.m. As Radio 2.

RADIO 2 1,500m and VHF

6.00 a.m. News. 6.02 Tom Edwards (S). 8.02 Test Cricket. 8.06 As Radio 1. 10.02 Charlie Chester (S). 12.02 p.m. Two's Best (S). 1.02 Roy Castle. 1.30-5.55 Sport on 2 (1500m only. VHF joins Radio 1: Football League (1.30, 2.35, 3.45, 5.00, 5.40). Racing from Kempton Park (2.15, 4.50, 5.40), Test Cricket (1.35, 2.08, 5.35). Brain of Sport. 5.30 Sports Report. 6.03 Pick of the Sporting Year. 7.02 The Navy Lark. 7.30 Review of the Year's Radio 2 Top Tunes (S). 8.30 Saturday Night (S). 10.02 Pop Over Europe (S). 10.45 Alan Dell (S). 12.31-12.33 a.m. News.

RADIO 3 464m, Stereo & VHF

RADIO 4

434m, 330m, 285m and VHF

6.50 a.m. Outlook (m/w only). 6.55 Weather; programme news. 7.00 News. 7.10 On Your Farm. 7.40 To-day's Papers. 7.45 Outlook. 7.50 To-day. 8.00 News. 8.30 Sportsdesk. 8.40 To-day's Papers. 9.00 News. 9.05 From Our Own Correspondent. 9.30 Talking Politics. 10.00 News. 10.02 The Weekly World. 10.15 Daily Service. 10.30 Pick of the Year. 11.30 Dial-a-Scientist. 12.00 p.m. News. 12.02 Robin Ray (S) as Radio 3. 1.00 News. 1.15 Any Questions? 2.00 Weekend. 3.00 News. 3.05 Thirty-Minute Theatre (S) The Taxman Cometh. 3.35 ... Down (S). 12.02 p.m. Robin Ray (S). 12.55 News. 1.00 The Young Idea (S). 2.00 Man of Action (S). 3.35 Music of the Masters (S). 5.00 Jazz Record Requests (S). 5.45 Walton (S) Concert. 6.00 The Mediocrity of Women. 7.00 Messiah (S) Oratorio, including 8.00 The Liberal Imagination of Lionel Trilling Discussion. 10.00 The Far Off and the Near 11.05 Maurice Emmanuel 1862-1938 (S) Concert. 11.25-11.30 News. ... Garden. 9.58 Weather. 10.00 News. 10.15 A Word in Edgeways. 11.00 Lighten Our Darkness. 11.15 News.

BBC Radio London

206m and 94.9 VHF

6.00 a.m. As Radio 2. 7.32 Good Fishing. 8.00 News. 8.15 The London Gardener. 8.30 Saturday Scene. 10.30 Sportsline. 11.30 It's Saturday. 2.00 p.m. Close Up. 2.30 London Sport and Music. 5.00 As Radio 2. 6.00 News. 6.03 Big Band Special. 7.02-12.33 a.m. As Radio 2.

London Broadcasting

261m and 97.3 VHF

7.00 a.m. Morning Music. 8.00 A.M. 10.00 Jellybone. 12.00 London's Week. 1.00 p.m. Newswatch. 1.30 Sportswatch. 6.00 Newswatch. 6.30 London Profile. 7.00 Artswcek. 9.00 Adrian Love. 1.00-6.30 a.m. Nightwatch (news every half-hour).

Capital Radio

194m and 95.8 VHF

Avon sponsors championship

AVON TYRES is to sponsor championship for production motor cycles next year. It will run over eight rounds from March to October at Snetterton, Brands Hatch, Wellesbourne, Cadwell Park and Lydden.

Avon pulled out of motor cycle Grand Prix racing in the 1960s but recently returned to the motor cycle scene with the introduction of its new Roadrunner tyre.

Andretti joins John Player

THE SECOND new John Player Special Formula One racing car will be driven by Mario Andretti in the Argentine and Brazilian Grand Prix on January 11 and 25. He will partner Swede Ronnie Peterson.

Andretti, 35, is a Formula One veteran and drove for Lotus in four grand prix events in 1968 and 1969.

WARD WHITE £¼M. ARMY BOOT ORDER

The Ministry of Defence has placed an order with the Ward White Footwear Company of Highams Ferrers, Northants., for £¼m.-worth of army boots.

SNOW REPORTS

	Depth (cms.) L	Depth (cms.) U	State of Piste	Weather
Andermatt	40	100	Good	Fine
Anzere	10	30	Fair	Fine
Avoriaz	25	165	Good	Fine
Champery	0	30	Worn	Fine
Crans	10	50	Fair	Fine
Davos	25	45	Good	Cloud
Isola 2000	130	175	Good	Fine
Klosters	30	40	Worn	Fine
Les Menuires	33	75	Good	Fine
St. Anton	5	50	Good	Cloud
Wengen	25	70	Good	Fine

NORWAY—Berson 70, rain. Voss rain. 33 inches, soft. Geilo 40, sur 12 inches, soft.

SCOTLAND

Your savings and investments

Prospects for bonuses

BY ERIC SHORT

THE BONUS season will soon be here in earnest, the first *swallow appearing* in the form of Provident Life announcing unchanged rates for both reversionary and terminal bonuses. But the early days of the New Year will, by tradition, see the main flock arrive, so perhaps *now is the best time* to consider what investors desire from the bonus system of traditional life companies.

In the first place they expect that the basic reversionary bonus rates are at least maintained. It was on this basis that most life policies are sold and the warning that *future* bonus rates are not guaranteed usually appears in small print in the promotion literature.

So I was interested to see that the principle of stabilising reversionary bonus rates was *emphasised in a recent paper* given at the Institute of Actuaries. However, the proviso was added that this should hold in the absence of a sustained or substantial change in experience—investment or otherwise. Therefore, I feel it is reasonable for policyholders to expect at the very least unchanged reversionary bonus rates and possibly some modest increases.

But the lesson of Lifeguard, which this year has passed its bonus rates because of financial troubles, comes as a salutory reminder that bonuses can fail. The paper also referred to the effect of the large reserves accumulated by traditional life companies in this stabilising process. This should reassure policyholders, especially as bonus rates this year were maintained despite 1974's horrific experience.

Moreover, when one considers the terminal bonuses payable on maturity, investment conditions have certainly changed this year—and for the better. Whereas reversionary bonuses are payable primarily *from* investment income (and are to a large degree insulated from short-term movements in asset values), terminal bonuses are determined largely by the level of markets when policies mature.

Most company actuaries cut their *terminal bonus rates at* the beginning of this year following their poor 1974 experience. Only a very few restored these cuts, either wholly or partially, during the year, so the inference is that they were awaiting the year-end before taking action.

*Therefore, investors can hope*fully expect at least a partial restoration in terminal bonus rates early next year. The National Mutual has already announced a 50 per cent. restoration from January 1. The *paper put forward the principle* that policyholders should receive at maturity a "fair share" of assets held against the contract, including the unrealised capital appreciation.

Planning for school fees

ANOTHER SCHOOL term has just ended, but over the next few days parents will be *receiving the bill* for next term. After the astronomical rises of the past few years, the Independent Schools Information Service tells me that increases are slowing down to about 5 per cent. per term. The need to *plan in advance becomes more* apparent when the fees bills come rolling in. Therefore parents thinking of private education for their newly born offspring might well be interested in a booklet recently *published by a specialist in this* field—C. Howard and Partners.

The booklet is concerned solely with savings plans designed to meet fees that are due some time ahead. The main investment vehicles are life assurance policies — traditional and unit-linked—and the 1975 Finance Act *provisions on claw*-back of tax relief on early surrender mean that the maximum advantage comes from these *plans if they have at least 10 years to operate*.

The main schemes operated by the company are those where regular sums are set aside each year. The main plan is one where a level amount is invested each year in a series of policies in echelon that mature or are cashed-in each year as the fees become due. C. Howard lay special emphasis on making certain provision towards future inflation in the level of fees provided. Failure to do this can result in parents having to make quite high addi*tional topping up payments to* cover the inflationary shortfall.

In this respect C. Howard offer a low start savings plan whereby the outlay increases each year reflecting the ability of parents to pay more each *year as earnings rise*. But interested parents should note that the start level is still comparatively high. The final main scheme described is where a capital sum can be combined with regular payments to meet fees.

Someone to blame

BY CHRISTOPHER HILL

GIVING A talk at a *seminar* recently on the characteristics of the institutional investor, I thought that I would try to give the audience a thumbnail sketch of the more obvious trademarks. And, considering *the trend to*wards indirect investment and the enthusiasm for share exchange schemes, the sketch is worth repeating here because it *varies in some slight respects* from the usual public image of an *omniscient father-figure*, backed by huge technical resources.

With *few* exceptions, the institutional investor is not an investment wizard, but an ordinary mortal whose main aim is *keep up with or to be slightly* ahead of the crowd. He probably earns a large salary by normal standards, has a largish house of the mock-Tudor variety (bought on a low-cost loan) and can expect a substantial pension. He is also *likely to have been home*-grown in his own institution and, *especially* with banks and insurance companies, this tends to be a sheltered environment where the trainee investment manager can be carefully inculcated with "house" patterns of thought.

Except in the smaller unit trusts (where investment performance is an important characteristic) this inevitably leads to a conservative attitude and *there* is usually *a fair con*sensus of view by institutional investors on where the stockmarket is heading. But they really have no more idea than *the individual investor who* reads the newspapers. The difference is that whereas the individual can move quickly once he takes a decision, the institutional investor is sitting on large piles of money and has to be *careful not to be left too far* behind. This was most evident at the beginning of 1975 when the bulk of institutional investors were suddenly caught up in the rush and found stock in short supply. Many were left *with egg on their faces trying* to take up "rights" issues at the same time as their annual reports (already at the printers) were extolling the virtues of cash and painting a gloomy picture of the equity market.

So the message for the individual is not to expect too much from the institutional investor, but to think of him as a man (or woman) who wants to hold the job down and play the favourites (as recommended by *stockbrokers*). *This might not* always produce spectacular results but it is likely to outperform tips at the golf club over the long-term and there is always the extra bonus in having someone else to blame.

New role for trustees

BY CHRISTOPHER HILL

NOW THAT Save and Prosper has revealed that its Save and Prosper (Jersey) Commodity Fund pulled in around £4m. at *one go, it seems probable* that other fund management groups will want to join the select band which have set up shop in the commodities field. But there is still a strong emphasis being placed on the *professional nature of the* investment in commodities—S and P reckons that most of the money came from institutions via stockbrokers.

What they are all trying to do is to underline the safety *aspect of these funds*: and one of the touchstones of respectability is to have a custodian trustee who also happens to be an eminent clearing bank. But one of the firms involved, Commodity Analysis, which runs *the Commodities and Options* unit trust from the Isle of Man, reckons that the prospective custodian trustees need to have a *hard* look at what their *responsibilities as trustees* might be if they acted for a fund which really played the commodities markets on the up and the downside as opposed to just buying physical stocks to hold.

This seems to have a certain validity because to be custodian trustee of an offshore fund investing in commodity futures is not really quite the same thing as acting as trustee *for* a U.K. unit trust with all the rules laid down by the DoT. First there is the question of valuing contracts in the commodities market and second there is the difference that if a commodity *broker handling business fails* there is no recourse to any *rescue* fund—the client bears all the risk.

The attitude of the banks which are currently acting as custodian trustees is that they *are really acting* on the same lines as with U.K. authorised unit trusts—looking at the prospective managers to see if they measure up to "respectable" standards and trying to impose investment limitations within the terms of the trust deed.

But I feel that although the *custodian trustee of a Jersey*-based fund is only really the holder of the assets (or a list of the assets), the mere possession of a well-known clearing bank's name is to the managers a powerful selling point when it comes to creating confidence. Commodities funds are not the same as unit trusts and the banks should exercise the utmost discretion before they consent to act as custodian trustees—*going beyond the small print* in the contract. In the absence of DOT safeguards for commodities funds, the main bulwark against malpractice is a recognised trustee and it will be a good thing if this is a necessity *for every prospective fund*. But the trustees must realise that they cannot just shrug their shoulders if things go wrong at the very least they should make sure that the risks are made clear in any prospectives.

THE LATEST of the books from FT Business Enterprises will be coming out in January?"*Savings* Flows in Europe: Personal Sav*ing and Borrowing*." This is written by Professor Jack Revell of the University College of Bangor (Institute of European Finance) and sets the U.K. in the context of other European countries—an exercise on which *there has always been a paucity* of statistical information.

Savings flows

The book (price £50) is too detailed to examine fully in those pages but, looking *especially* at the chapter on the effects of inflation on savings, I found one of the most interesting tables was the international comparison of personal savings as a percentage of disposable incomes, between 1960 and 1972 where *the* U.K. appears as an undoubtedly poor performer averaging between 5 and 6 per cent. compared with 10 and 13 per cent. in France, for example. But the book warns against crude international comparisons (the U.K. investor is more predisposed to house-ownership) and says that there was a watershed in the second half of 1973 when personal savings *started to rise as a* precaution against disaster.

Changing rates

BY TOM KYTE

AFTER the steep rise in interest rates during most of 1974 it is not surprising that this year has seen a modest and erratic reversal of that trend. Perhaps the most notable victims of the 1975 decline have been the local authority yearling bonds (where the return slipped from 13¾ per cent. to *11½ per cent.*) *and bank de*posit accounts where the rate has dropped roughly 2½ points over the year to 7 per cent. Elsewhere the extent of the downturn has been less dramatic with building society *rates easing back half a point* to 6½ per cent.

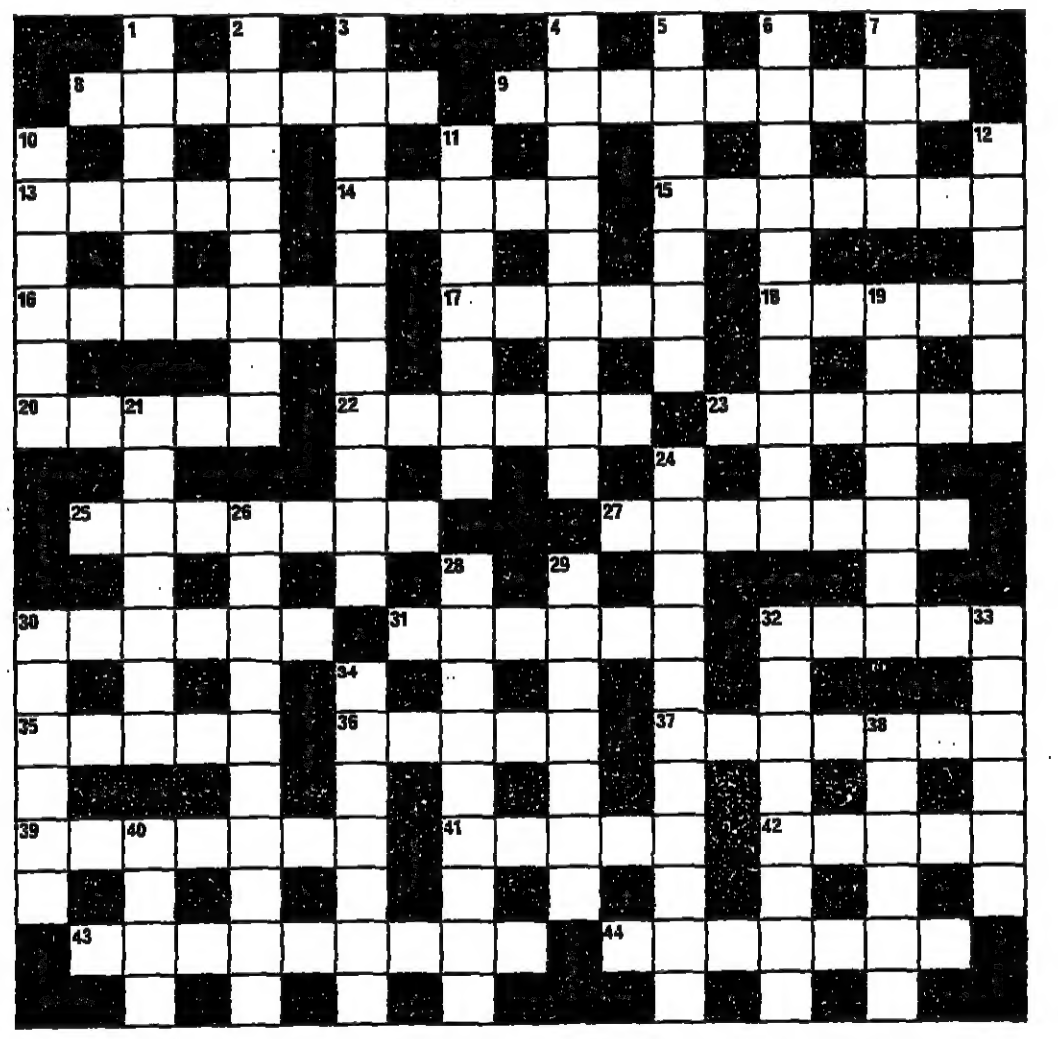
Of course the level of interest rates is not the only criterion which an investor should use *when deciding where to place* his money. Another consideration *which* is just *as important* is his tax liability. For the standard rate payer, the building society deposit account rate still has obvious advantages since the building society itself pays tax on the interest up to *the standard rate. But this form* of investment gives little advantage to either the nil tax payer or the high rate tax payer. Where the nil tax payer is concerned local authority loans have substantial attractions as do the benefits provided by the National and *Trustee Savings* Banks investment accounts which return a gross 9 per cent. For the higher rate tax payer National Savings Certificates, offering an annual 7.6 per cent. after being held for four years, *look one of the best bets.*

The two index-linked products launched by the National and Trustee Savings Banks mid-way through the year are the new forms of investment which have been devised to appeal to all *classes of tax-payer. These are* the Retirement Issue National Savings Certificates (available to 65 year-olds and over) and the SAYE plan. The former has so far attracted investments worth around £201m. while the latter has received 262,000 contracts committing investors to save an average of £14 per *month. No official statistics* have yet been released regarding the performance of these, for the Pension certificates have to be held for one year, while the SAYE Bonds must be retained for five years before *index-linking is effective*. However, some theoretical figures are available. If a pensioner had taken up his full-entitlement of £500 under the first scheme on the day of launching, his investment would now be worth in excess of £558, under the SAYE scheme an investor of £1,200 would, allowing for an inflation rate of 20 per cent. per annum, see his investment grow to £1,974 at the end of five years.

RETURN AT THE FOLLOWING RATES OF TAX

	No tax	35%	65%
	%	%	%
Bank Deposits	7.0	4.6	2.5
Bank Term Deposits	11.1	7.2	3.9
Building Society Deposits	6.75	6.75	3.6
British Savings Bonds cashed in before 5 years	9.5	6.2	3.3
Local Authorities 1 year	11.625	7.55	4.08
National Savings Investment Account	9.0	5.9	3.2

A POST-CHRISTMAS PRIZE CROSSWORD



A prize of £5 will be given to each of the senders of the first five correct solutions opened. Solutions must be received by next Thursday, marked Crossword in the top left-hand corner of the envelope, and addressed to the Financial Times, 10, Cannon Street, London, EC4P 4BY. Winners and solution will be given next Saturday.

Name ....

Address ....

....

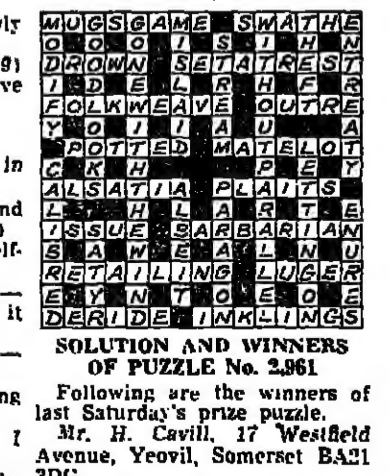
Across

8 Restriction for oriental doctor taking ship (7)
9 A feature in the finish arousing affection (9)
13 Infection is not in common parlance associated with tea (5)
14 "Even to the — and forehead *of our faults*" (Hamlet) (5)
15 Lading scrap round about (7)
16 Petition for divine favour not so much in public transport (5, 2)
17 Public schoolboy can be a philosopher (5)
18 Destitute reference to a dam (3, 2)
20 Measure for a girl to follow (5)
22 I offer them shortly in the same place (6)
23 August feast to beat mother's (6)
25 Bunting signals the return of many in the port (7)
27 Ship for carrying treasure—possibly all gone (7)
30 The bird includes a pious wish to dance (4, 2)
31 The company finds the fellow convincing (6)
32 West Indian here without a bean (5)
35 The goddess was a match for everyone (5)
36 Victory sign it is little credit to possess (5)
37 A friend finds the City unprofessional (7)
39 One unfit for the résumé (3-4)
41 Entered the metal casting (5)
42 The god has to proceed slowly (5)
43 Passes take in what is left (9)
44 Aircraft trip in explosive surroundings (7)

Down

1 *Control shown by police in* Ireland (6)
2 Includes the unpalatable and the socially incorrect (3, 5)
3 I got elastic for one self-*centred* (11)
4 Where golf champions play—there is no secret about it (2, 3, 4)
5 "Let patience have her — work" *(James)* (7)
6 Scrap that costs nothing (4-3-3)
7 Is there any objection if I put a bob on the horse? (4)
10 A *string of horses* can be relied upon (6)
11 His obvious retort to this was "paleface" (7)
12 Sticks in the county (6)
19 A *doctor in his spell of duty* —can you beat it? (7)
21 "Such — as would have won the ear of Pluto" (Milton) (7)
24 Retired teachers must be experts (11)
26 Approval from Paris and Bonn gets the council to pass messages that are out of this world (5, 5)
28 A stop on the *river for one* who makes a settlement (9)
29 More than a dozen, less than a score—the trouble period (7)
30 Found at Lords and there is one in the town (6)
32 Cautious about the boy cleaner (8)
33 Makes boy a trader and keeps baby warm (6)
34 *The youngster gets up to look* —it's a shame (7)
38 Go wrong and get a commission (6)
40 Sounds a rogue but is found in church (4)

SOLUTION TO PUZZLE No. 2,964



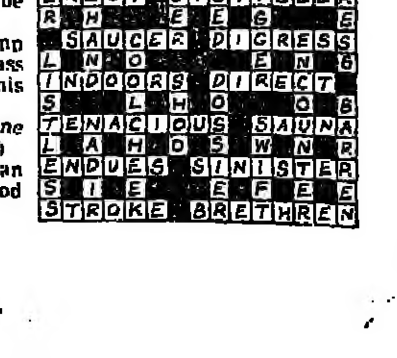
SOLUTION AND WINNERS OF PUZZLE No. 2,961

Following are the winners of last Saturday's prize puzzle.

Mr. H. Cavill, 17 *Westfield* Avenue, Yeovil, Somerset BA21 3DG.

Mrs. E. A. Cluer, 7 Princes Drive, Oxshott, Surrey.

Mr. J. C. Towle, 6 *Selsey* Avenue, Sale, Cheshire.



Taxation

Testing the allure of havens

By JOHN CHOWN, Taxation Correspondent

[TA]X PLANNING does not, or [at] least should not, involve any [m]easure of secrecy or non-[di]sclosure. In the English-[sp]eaking world, we make a [cle]ar distinction between "tax [av]oidance" and "tax evasion." [Th]e first involves a sophisti[ca]ted use of tax provisions to [pr]oduce an answer more favour[ab]le to the taxpayer than was [pe]rhaps intended by the taxing [au]thority. Tax evasion involves [co]ncealment with intent to [de]fraud the tax authorities.

Tax avoidance may involve [ex]tremely ingenious and *com*[pli]cated manoeuvres designed [to] *turn the law* on its head. [Su]ch tax planing, though, need [no]t involve such manoeuvres. [Th]e rational businessman is in [bu]siness to make a profit and [th]e rational investor seeks to [pr]eserve and enhance his [ca]pital. Both make, or should [ma]ke, his calculations in terms [of] after-tax profits.

[I]f where, as here, the tax [co]de provides for generous [ca]*pital allowances to encourage* [ne]w investment, the business[m]an buys a new machine which [wo]uld not justify itself except [fo]r the tax concession, he is [t]ax plannig,' but is not in any [se]nse avoiding his legal liabili[tie]s *and indeed is reacting* to a [ta]x concession in a way that the [le]gislature presumably hoped [an]d expected he would react to.

(This view may be over-[op]timistic as the recent [T]reasury announcement [di]rected *against* leasing part[ne]rships shows.) The individual [wh]o invests for capital gain [ra]ther than for dividend income [g]ain is indulging in tax [pl]anning rather than tax *avoid*[an]ce.

The borderline between tax [av]oidance and tax evasion is [fa]irly easily identified. If, in [th]e course of a discussion of a [pa]rticular scheme, someone can [on]ly counter an objection to it [b]y asking "how will they find [ou]t"? it is likely that the line into evasion *has been crossed*. If there is a call on bank *secrecy*, it is fairly certain that there is a question of evasion. Normally, and in an ideal world, I would advise people that not only should they not evade their taxes, but *should* not use hard-core avoidance *methods* which *might* be provocative to the Revenue authorities of the country concerned.

However, provocation works both ways and there is another borderline, easier to recognise *than* to define, between taxation and confiscation.

> " . . . . *the rational investor seeks to preserve and enhance his capital.*"

It is one thing to be civilised about tax rates of up to, say, 50 per cent. It is another matter when *investment* income is taxed at 98 per cent. especi*ally when* the income which is taxed is purely spurious and the real rate of return, taking account of inflation, is negative even before tax.

With tax *planning*, as with anything else, the first need is *to define* the objective. Quite often, someone asks me if it is possible to set up a company in the Bahamas, a trust in the Cayman Islands, or a foundation in *Liechtenstein*. When you ask why, they generally say, "*Oh, to save* taxes."

Only rarely is there a pure *piece* of tax advice that one can give: such as that a particular contract should be taken in a foreign company rather than directly. More often one has to change the substance as well as the form of a business or investment *transaction*. The problems of setting up a wholly owned Bahamian subsidiary may be intractable or, after some cross-*examination* it emerges that a joint venture with someone in another country would make rather good commercial *sense* and one can hang a tax planning solution *on* to that. The important thing is to get the *client to think* in after-tax terms.

There are four main ways of using a tax haven. It can be for income creation, income diversion, income *extraction* or income accumulation. The simplest technique is to cause a *profit to arise in a tax haven* by actually carrying on business there. The best places for these activities are not necessarily the places with the lowest general level of taxation. Tax holidays, capital allowances and soft loan facilities in countries which otherwise have high taxes can also be very attractive. Examples include the Republic of Ireland and Puerto Rico.

It is not often, in practice, possible to manufacture in one of these favoured *locations*. Generally the real profit centre will be in a country which has a fairly high rate of tax. Can these profits be diverted away from that country? The commonest *technique of* income diversion is cross-invoicing. You have a manufacturing company in the U.K. which wishes to exploit a new market in the U.S. Instead of *selling directly*, it might sell at £9 per unit to a Bahamian company which would then resell to the ultimate customer for £10 per unit.

If there are sales of 100,000 units per annum, the effect is to reduce the profits in the U.K. by £100,000 (worth £48,000 after corporation *tax*) and *to create* tax free profits of £100,000 (but *outside* the exchange control net) in the Bahamas.

This sounds splendid, but there are, of course, a number of booby traps. First, the company may be deemed to be "controlled and managed" not in the Bahamas but in the U.K. If all it did was to maintain a brass plate and have *a couple of local* lawyers as dummy directors, it *is asking for* trouble if the decisions are taken in the U.K. or some other high tax country. The board of directors must meet and management decisions must be both made and seen to be made in the Bahamas, or at least outside the U.K.

The second and related danger is that *the Bahamian company* might be deemed to be "trading within" the United States or other country where it makes its sales and be liable to tax there.

Even when the tax haven company is neither "controlled and managed" nor "trading within" a high tax country, its commercial relationships with associated companies may come under Revenue scrutiny. For instance Section 485 of the U.K. Taxes Act 1970 (as recently strengthened) give the Revenue power to look behind transactions at *artificial prices* between companies under common control. In this context "control" does mean voting control by shareholders and the recent U.K. amendments mean that *it is* no longer possible to argue that a 49/51 "joint venture" is not under common control as a "51/49" venture between the same parties. This limits the scope for setting up a sales subsidiary in a low tax area, under-invoicing goods to it, and having it sell on at a tax free mark-up to the ultimate customer.

An unusual provision in the U.K. tax code prohibits, under criminal penalties, certain international transactions including "*the transfer of the trade*, or any part of the trade, of a U.K. company to a non-resident" unless prior Treasury consent is obtained. (This consent is quite *separate from a requirement* to obtain Bank of England consent under the Exchange Control Acts.) This rule may make it difficult, if not impossible, for a U.K. company which is exporting direct to transfer its export *trade to a Bahamian subsidiary*. It applies specifically to companies and not to trades carried on by individuals or partnerships. U.K. individual residents contemplating starting a new business with a foreign dimension should therefore set up an overseas company and get it *trading before setting up a U.K.* company specifically to carry on the U.K. aspects of the trade.

Another constraint of particular interest to U.K. residents is exchange control. This is not normally withheld for genuine commercial transactions by business enterprises but individual investors may find their activities limited to the Channel Islands, the Isle of Man and Gilbratar.

Where a tax haven company has a subsidiary or associate which is clearly "trading within" a high tax country and therefore earning profits which are within its tax net, the tax charge *could sometimes be re*duced by "profit extraction": arranging for payments of interest, royalties or management fees to be made from the high tax country to the lower tax country. Naturally all countries have anti-avoidance *legislation* of varying degrees of effectiveness to prevent undue use of this technique. Latin American countries in particular tended to regard all management fees, or even fees to consulting engineers, *as a distribution of, rather* than a charge against, profits.

Double tax agreements affect the ways in which dividends, interest and royalties extracted from third countries are taxed. for example, if an American company pays royalties to a Dutch entity, there is no withholding tax. *If interest is paid to a share*holder resident in a country which imposes no tax and is not a party to any double tax agreement, withholding tax will be at the full rate of 30 per cent. An inventor wishing to license an *American manufacturer*, or an author receiving royalties from an American publisher will, if he lives in (or transfers rights to) the Bahamas, suffer withholding tax on his royalties at 30 per cent.

So far I have dealt with the problems of so arranging matters *that profits or income* arise in a tax haven entity and are kept out of the touches of the Revenue authorities in the country of source. Overcoming these problems, and creating a Bahamian company which is fattening itself nicely at a minimum tax charge, may avail you *nothing if the U.K. or other* country of residence then argues that the income is really yours after all and that they are going to tax you on it.

The main U.K. provisions is Section 478 Taxes Act 1970, which imposes a charge to tax on a U.K. resident who has "power to enjoy" the income of an entity. This Section is drawn in the widest possible terms — any summary of it would be misleading. Although there must be a "transfer of assets" to bring the Section to play, this can be a transfer between two non-residents. The term "power to enjoy" is also very broadly defined.

(See chess, Page 4)

CHESS SOLUTIONS

Solution to Position No. 94. [1] N-B3, K-B5; 2 N-Q2 ch, K-B6; [3] N-N1 ch, K-N7; 4 K-Q4, KxN; [5] K-B3, and White wins Black's [p]awn and queens his own. Not [1] N-B2? K-B5; 2 K-Q6, K-B6; 3 [N]-B5, KxN; 4 K-N4, K-Q6; 5 KxP, [K]-B5 and Black draws.

Solution to Problem No. 94. [1] Q-R1 (threat 2 R-Q2 ch and 3 [R]-R5 mate), RxQ; 2 R-QR2 and [3] R-R8. If 1 . NxR; 2 Q-R1, or [1] . RxR; 2 Q-R4 ch, or if B-N4; [2] RxR, *with mate next* move in [e]ach variation.

Finance and the family

Recovering the premium

BY OUR LEGAL STAFF

My wife and I, who have reached retirement age, are thinking of emigrating to Spain, where we already own an apartment worth about £6,000, on which the premium was paid. Is our £20,000 emigration allowance additional to this figure? How long would any assets above the emigration allowance be frozen?

Since you have already paid the premium on the money spent on your apartment in Spain, the cost would not be included in the £20,000. Alternatively, you might choose to include it in the £20,000, in which case the authorities would consider an application for the purchase of currency at the official rate for resale at the premium rate—effectively enabling you to recover the premium on the expenditure already made.

If you emigrated, any surplus assets would be frozen in the U.K. for four years.

Serving a blight notice

My wife and I own a range of industrial buildings, let on leases for several years. A local plan has been adopted and made available for inspection under S12(2) of Town and Country Planning Act, 1971. Can I issue a blight notice under Part V of the Land Compensation Act, 1973?

Unfortunately your interest does not fall within the definitions of those who may serve a blight notice: consequently you cannot serve blight notices. If any of your tenants have three years or more of their leases unexpired they may serve blight notices, and you may wish to encourage them to do so.

Operation of the premium

For many years I have held Gulf Oil Ordinary stock, the certificates being held by my bank in London. If I sell them at the price quoted on the Stock Exchange, shall I be affected by the premium?

Foreign currency securities quoted in London are priced at a level which includes the investment currency premium. As a U.K. resident, you would receive the current market price including the premium, but you would be subject to the 25 per cent. surrender rule. Under this rule, you would be required to use a quarter of the sterling proceeds of the sale to buy investment currency at the going premium, for resale for sterling at the current official spot exchange rate. The result would be, therefore, that you would in effect lose a quarter of the premium included in the current London market price.

Maintenance of a drain

The main drain for my house goes under my neighbour's land to an inspection cover and then to the roadway. The deeds state that maintenance is joint. The ground has now been covered by an extension and my neighbours have added more drains. Should a blockage occur, what would be my legal position?

We think that you may be able to require your neighbours to bear the whole of that part of the cost of maintenance which is attributable to the buildings which have been or are being added by them. You should raise *now* the question of the effect of the new building on maintenance in practice and in cost, in order to seek a fresh agreement as to the extent of your respective liabilities. It is desirable to do this in advance of any actual need for maintenance or repair work.

No premium for residents

I am ordinarily resident in the U.K. but at present am employed in Holland, though I make frequent week-end visits home, and my employer and I contribute to British national insurance. Can I buy shares in Holland out of my earnings and obtain the premium?

Though you have remained technically resident in the U.K. for exchange control purposes, the fact that you would be buying foreign currency securities out of earnings abroad would mean that you would not be paying the investment currency premium on their purchase. They would not therefore qualify for the premium on sale.

If you returned to the U.K., the securities would still not be premium-worthy. If, however, your period of employment abroad was three years or more, the securities would rank for premium under present rules after two years following your return.

Legacy to next of kin

I am advised by a solicitor that I had been left a gift of £1,000 under the will of a relative whose next of kin I was. (a) I asked for the will but was told I could get a copy from the District Probate Registry, but no address was given. Where do I apply?
(b) As the deceased's house was my home for many years I should like to know what value was placed on many of its contents and whether in fact they were there. Can I?
(c) What can I do about the contents which belong to me?

(a) You can apply to the Principal Probate Registry at Somerset House, Strand, London, W.C.2, but, as a beneficiary, you are also entitled to a copy of the will from the executors if you offer to pay their proper copying charges.
(b) If your only interest in the estate is as a pecuniary legatee we doubt if an account would be ordered in your favour. Such an order would be the effective means of checking on the valuations and otherwise on the administration of the estate.
(c) Your only course is to apply to the executors and/or the general legatee for the return of your property.

Purchase of a coat

Last spring I bought a musquash coat but left it at the shop for storage. Shortly after the shop wrote and offered to make me a mink coat at about double the price instead. I agreed, but when I tried it on it was unsatisfactory and after further delays I cancelled the order. In spite of that I have now been told the mink coat is again ready for fitting. Must I take it, or must I take another musquash coat for the money I paid, can I have my money back, or what?

The precise nature of your obligations will depend on a careful examination of what was said by and to you on the occasions of your purchase of the mushquash and of your placing the order for the mink and of your seeking to cancel that order. The likely position is that the musquash is yours and you could not have back the money you paid for it unless it has been resold; and that the mink order has been cancelled by agreement without further liability on either side. It must be emphasised that this is only a tentative view in the absence of a full exploration of the oral statements made at the relevant times.

Winning the jackpot

With reference to your reply under the heading "Winning the jackpot" (September 13) do you think that it would be possible to avoid any CTT consequences by every member of a football pool syndicate, etc., putting his name on the coupon before despatch?

We think that your suggestion should resolve the problem, at least where the administrative burden is not too great.

TV rental and VAT

I signed a three-year agreement for a TV set in October, 1974, for a fixed sum of £70 a year, with no provision for any variation. When the renewal fell due I was asked to pay VAT at 8 per cent. and the authority to charge this was claimed to be S.I. 712, of April 28 last. This order, I maintain, was intended to cover the increase in VAT and does not authorise the imposition of a charge at the old rate. Do you not agree?

While we cannot advise definitively without seeing the contract in full, we think that your analysis is correct and the attempt to add 8 per cent. to your rental charge is not justified. In the absence of statutory provision—and the Order No. 712 of 1975 is not sufficient to cover this—and of some express terms in the contract, the company cannot unilaterally revise the charges under a contract for hire at a fixed charge.

No legal responsibility can be accepted by the Financial Times for the answers given in these columns. All inquiries will be answered by post as soon as possible.

Wife resident in U.K.

My husband works here in Malawi for a London company on two-yearly contracts. He does not pay U.K. tax.
Next year we go on three months' leave but I wish to stay on longer in the U.K.
What happens regarding my husband's tax if I stay longer than six months in the U.K.? If I take a job while at home would this affect his tax (in the U.K.) or would I be classed and taxed as a single person?

Your husband's U.K. tax position will not be prejudiced by your own actions. If you become resident in the U.K., for income tax purposes, while your husband remains resident (only) in Malawi, then broadly speaking you will be entitled to be taxed as a resident single woman (feme sole).

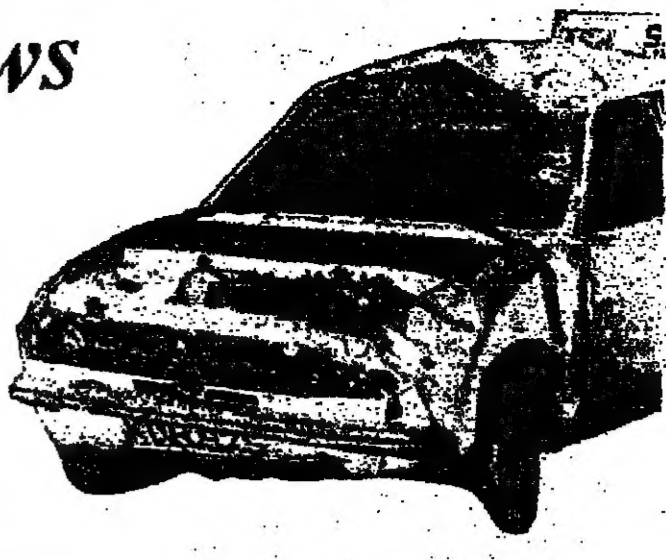
There are two free Inland Revenue booklets which you will find helpful: "Residents and Non-residents—Liability to U.K. Tax" (IR20, with a supplement) and "Taxation of Foreign Earnings" (IR25). These are available from most Tax Inspectors' offices and no doubt a friend over here, or your husband's employers, could get copies for you. Alternatively, but probably not quite so quickly, you can obtain copies by post from the Chief Inspector of Taxes, New Wing, Somerset House, Strand, London, WC2R 1LB, or any tax office with which you may already be in touch.

From the brief details given in your letter, it does not appear that you will derive any special benefit from the provisions of the double taxation agreement between Malawi and the U.K., but it might be worth your while to look at a copy, particularly if you have any investment income.

Insurance

Nasty news

BY JOHN PHILIP



THIS SATURDAY morning, while the carcass of the turkey remains in the 'fridge and all the other material manifestations of Christmas surround us, I hope I may be forgiven for writing about such unseasonable subjects as the Policyholder's Protection Act, inflation and under-insurance, solvency and premium increases. Though, if I may not be forgiven, my advice is to stop reading now—and turn to more escapist columns, such as bridge or gardening.

In the last few weeks the majority of motor insurers have announced increases in their rates for private motorists mostly in the 12½ per cent. to 17½ per cent. range—but the renewal notices that will start arriving as soon as the Post Office recovers from its Christmas break will show a much greater mark up than this on last year's renewals. This is because the current round of motor premium increases is the second to be announced this year: it is the combined effect of the two together, averaging around 35 per cent., that must be faced.

Before you complain too bitterly, remember that virtually all the other services you buy have risen by this kind of percentage in the last 12 months—that if you are able to buy any article or service at the same price now as you paid this time last year you are in real terms getting a discount of 30 per cent. or more.

Motor car insurance rates, like most other prices for consumer goods and services, are subject to governmental control. A dozen or so large insurers, covering in all about half of the private motorists in Britain, have to get the agreement of the Department of Trade to their increases, while the rest have to prenotify the DOT.

All have to be able to justify changes by reference to agreed criteria and formula. But the DOT's duty is not only to act as a watchdog on motor insurance premium increases.

With more than one backward glance at the number of motor insurance company failures a few years ago, the DOT must be just as much concerned to ensure that insurers do not become insolvent by getting too little premium for the risks they insure. The department is just as anxious as insurers are themselves, to see that the rates insurers charge are adequate enough to protect policyholders from the risk of failure of their chosen companies.

This brings me to the Policyholder's Protection Act, which received Royal Assent in mid-November. The Act provides for the establishment of a statutory body—the Board, consisting of two members, appointed by the Secretary of State for Trade, of whom at least three must be drawn from the management of insurance companies, and at least one must be qualified to represent the interests of policyholders. The Board is already in being.

The Board's duties arise when an insurance company goes into liquidation—and it will get its money by levies raised on the premium income of the failed company's competitors. There are to be separate levies for "general" business (such as motor, household and personal accident) and for "long-term" business (including life, pensions and permanent health). Neither levy may exceed 1 per cent. of the premium income that is liable to levy in any one year.

One per cent., you may say, is not very much, and that insurers can easily afford it, if ever they are called upon to pay. But take 1975—I doubt if more than a few motor insurers will have had the good fortune to make even 1 per cent. of profit, while most will have made a loss. So the possibility of that 1 per cent. levy must figure in the calculations that insurers have made in determining their prices for motor insurance in the opening months of 1976. Because motor insurers are the custodians of large public funds raised from private individual contributions, it is you and I who must now begin to pay for the statutory protection we have demanded and obtained.

But motor insurance renew[als] are not the only ones that [are] going to cause financial disn[ay] in 1976, if the shock tactics [to] be used in the household sph[ere] by General Accident and S[un] Alliance are adopted by ot[her] insurers. Some months ago [GA] had decided to increase pol[icy]holders' sums insured by 20 [per] cent., and now Sun Alliance [has] fixed on 50 per cent., unless [the] individual policyholder prote[sts].

At first sight a tremend[ous] increase — but if you did [not] increase your sums insured [at] its 1975 renewal you have [to] cope with the last two ye[ars'] savage inflation. The basic f[act] to remember is that househ[old] policies are full value ins[ur]ances — that the sums for wh[ich] cover is arranged should [be] adequate, after total lo[ss,] for the reconstruction of hor[ne] and the replacement of pos[ses]sions, not only at the start [of] the year of insurance but on [the] last day as well. So it is [not] enough to have regard to p[ast] inflation — it is necessary [to] make an inspired guess as to [its] course for the next 12 mont[hs].

Moreover it is on these su[ms] insured that insurers cha[rge] their rates, which remain in [the] 10p-12½p per cent. for buildi[ngs] and 20p—25p per cent. for c[on]tents, as they have done [for] decades. So anyone who d[oes] not revise his household su[ms] insured diminishes the fu[nds] which insurers need to [pay] claims. In the past year or t[wo] these have increased not j[ust] by inflation but also because [of] the growing incidence of cri[me] losses, which has fal[len] heaviest on the private sect[or].

One complaint against [in]surers who increase sums [in]sured (albeit with an option [for] policyholders to refuse the [in]crease) is that they are engag[ed] in inertia selling. But how e[lse] are insurers to constrain [so] many householders to [take out] enough cover?

Chess

Hastings prospects

THE ANNUAL Hastings New Year congress which begins on Monday looks a potentially fascinating struggle between the visiting grandmasters and Britain's improving group of young players. Hastings is the world's oldest regular international, held first in 1895 and annually since 1920.

"Potentially" is an operative word since at least two of the grandmaster tournaments in this country in recent years—Hastings 1973-74 and the recent Alexander Memorial in Cleveland—have been spoilt by too many short, colourless draws in under 30 moves allied to indifferent home results.

Organisers do try to invite players known for fighting chess, and they are simply unlucky on occasions such as the Alexander Memorial when the U.S. grandmaster Kavalek, previously with a good record for positive play, drew every game.

But in my view Hastings and Cleveland ought now to adopt the format which was so successful in London this summer of offering part of the prize money for games won rather than for points scored.

Nothing could increase public interest in Hastings next week as much as a British success. Perhaps, with the rising young masters Miles, Stean and Nunn in the field, this will come at Hastings 1976 anyway; but I should like to see a less amateurish approach to preparing our players for major internationals.

An overdue innovation at Hastings and Cleveland is provision in the congress budgets for the cost of a dossier of overseas opponents' known opening systems and styles of play, and for a trainer to help the British masters with difficult adjournments. The recent Alekhine Memorial in Moscow took this professional approach to an extreme; all eight Russian grandmasters had coaches to help them.

Who will win at Hastings? The favourite is easy to name. Victor Korchnoi (USSR), world No. 2 after Fischer's retirement, will be eager to establish himself as a live contender for the next round of world title competition with a good performance.

The real question is whether the young British players, all under 30, can make inroads against the second-line grandmasters. My forecast is: 1, Korchnoi, 2 Hort, 3-4 Taimanov and Uhlmann, 5 Miles, 6-9 Benko, Jansa, Keene and Sosonko, 10-12 Matera, Savon and Stean, 13-15 Hartston, Nunn and Sigurjonsson, 16 Bellin.

Finally, a reminder that spectators are welcome at Hastings (entry is by programme at the White Rock Pavilion); there is play, with the grandmaster games demonstrated on wallboards, each afternoon from December 29 to January 15 except for January 1, 7, and 14.

There is little room for a game this week, but here is a typical example of Korchnoi's resourcefulness which will be so dangerous to his Hastings opponents. The winning move at the end comes just as his opponent apparently gains control of a useful open file.

White: C. B. van den Berg (Holland). Black: V. Korchnoi (USSR). Opening: Modern Benoni. Wijk aan Zee 1971.

The opening moves were 1 P-Q4, N-KB3; 2 P-QB4, P-K3; 3 N-QB3, P-B4; 4 P-Q5, PxP; 5 PxP, P-Q3; 6 N-B3, P-KN3; 7 N-Q2 B-N2; 8 N-B4, 0-0; 9 B-B4, N-K1; 10 Q-Q2, BxN; 11 PxB.

Sharper is 11 QxB followed by queen's side castling with a dangerous attack for White.

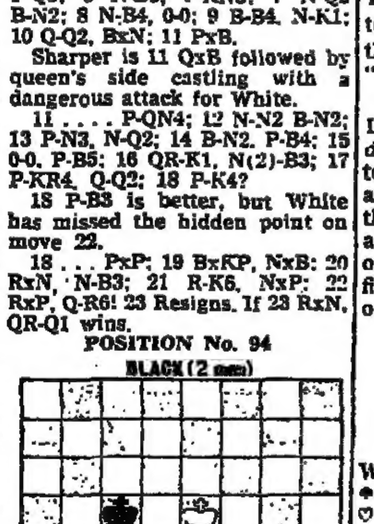
11 . . . P-QN4; 12 N-N2 B-N2; 13 P-N3, N-Q2; 14 B-N2, P-B4; 15 0-0, P-B5; 16 QR-K1, N(2)-B3; 17 P-KR4, Q-Q2; 18 P-K4?

18 P-B3 is better, but White has missed the hidden point on move 22.

18 . . . PxP; 19 BxKP, NxB; 20 RxN, N-B3; 21 R-K6, NxP; 22 RxP, Q-R6! 23 Resigns. If 23 RxN, QR-Q1 wins.

POSITION No. 94

BLACK (2 men)

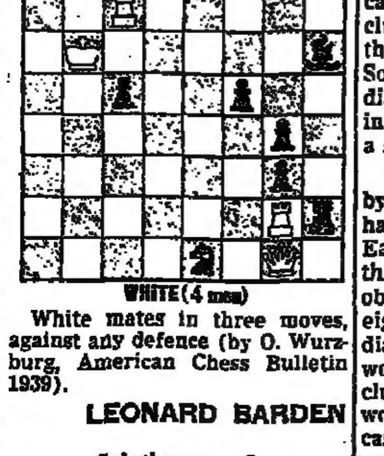


WHITE (3 men)

According to a Russian magazine, White (to move) stayed up half the night analysing before he worked out the winning method in this endgame. Heavy weather of a simple position? Try it for yourself.

PROBLEM No. 94

BLACK (8 men)



WHITE (4 men)

White mates in three moves, against any defence (by O. Wurzburg, American Chess Bulletin 1939).

LEONARD BARDEN

Solution page 3

Bridge

From Greece with love

BY E. P. C. COTTER

The International Bridge Press Association and Bols, the well known Dutch company which manufactures liqueurs, have launched the Bols Bridge Tips Competition. My hands today come from an entry in this competition by American "Ace," James Jacoby.

In the Aeneid the words of Laocoon — *timeo Danaos et dona ferentes* — were intended to warn the Trojans against admitting the wooden horse into the city, and Jacoby's two hands are concerned with the theme of the suspect Greek gift. The first example comes from a team-of-four final in America:

N
♠ K 2
♡ K Q 7 3
♢ J 10 2
♣ K Q 4 2

W
♠ Q 9 3
♡ J 10 6 2
♢ 6 5
♣ J 9 8 5

E
♠ J 10 7 5 4
♡ 9 5 4
♢ A K Q 9
♣ 6

S
♠ A 8 6
♡ A 8
♢ 8 7 4 3
♣ A 10 7 3

East dealt at love all and passed, South said one club, North replied with one heart, and East made a second-round double. South passed, West said one spade, North countered with two spades, and raised South's two no trumps to three.

Winning the spade three with dummy's King, the declarer cashed King and Queen of clubs. When East showed out, there were only eight tricks, so South played the Knave of diamonds — his Greek gift — in order to get East to execute a suicide squeeze on his partner.

Now the wooden horse, aided by Sinon's pretended defection, had some subtlety about it, but East had to be naive to fall for this diamond hand-out. It was obvious that the declarer had eight tricks, and that if four diamonds were cashed, West would be squeezed in hearts and clubs by the Ace of spades which would follow. However, East did cash all his diamonds, and the contract was made.

This was played by Bobby Wolff for America in the World Championship:

N
♠ K 8 5
♡ K 10 3
♢ A Q J 3 2
♣ J 7

W
♠ A 10 6
♡ Q 9 6 2
♢ 8 6
♣ K 9 5 2

E
♠ J 9 4 2
♡ 5
♢ 9 7 5 4
♣ A 10 8 4

S
♠ Q 7 3
♡ A J 8 7 4
♢ K 10
♣ Q 6 3

With North-South vulnerable, South dealt and bid one heart, North said two diamonds, and raised his partner's rebid of two hearts to four hearts.

The French West led the two of clubs to the Ace, and East returned the four to the King. West now cashed the Ace of spades and continued with the six, which gave South food for thought. Was it a Greek gift West had given by releasing the spade Ace? He must have hopes of taking the setting trick in trumps.

So, winning the spade with his Queen, the declarer led the Knave of hearts, which West covered with the Queen. This thought South, must be another Greek gift. No player of West's calibre would cover with a Queen either singly or doubly guarded — he must have started with Q 9 x x. The declarer came to hand with a diamond and led the trump eight, letting it run when West played low. Excellent play by South, but what about West?

If at trick three West leads a diamond, South will not be alerted to play the trumps as he did. Even if he does play the Knave, West can cover this time with safety. South can get back to hand with a diamond, run the eight of hearts, and cash the ten, but he cannot get back to draw West's last trump. He will either lose two spade tricks, or West will make a ruff.

Perhaps this was not a *donum Graecum*, but *un cadeau francais!*

Architecture

Low profile for high rise

BY H. A. N. BROCKMAN

WHETHER THE NAMING of 1975 as European Architectural Heritage Year did or did not provoke a surge of interest in new building and in conservation, it is perhaps true that we are all now a little more concerned with the basic controversy.

Newspapers have given much more space to planning matters concerning the fate of buildings both in town and country, and radio and television have been almost generous with their time.

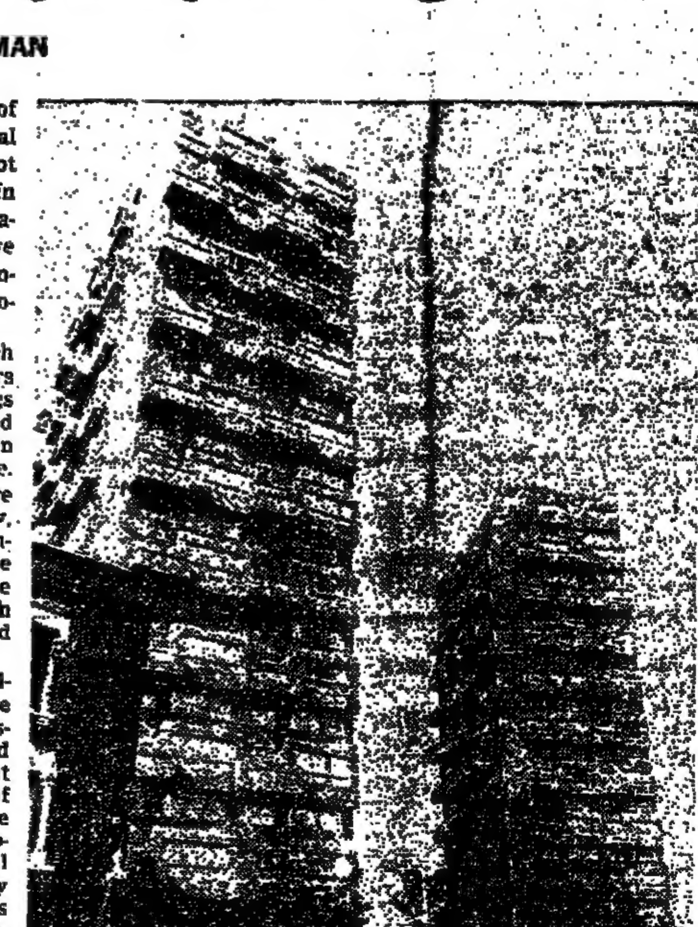
Throughout the sixties there was an almost hopeless apathy, which while ineffectively complaining about the "concrete jungle" allowed so much to be torn down and replaced by high buildings, both commercial and domestic.

Architects were blamed almost exclusively, but no blame was given to those who commissioned them. Much thought had been given before Ronan Point (in fact ever since the end of the Second World War), to the problems of "mixed development" in housing, but local authorities were tempted by commercial building systems and promises of speedy construction, with the minimum of architectural participation. The Ronan Point disaster frightened them into thinking again about the supposed benefits of extreme high rise. The freeing of ground areas, for instance. These, having been freed have, in most cases, resulted in ill-used deserts of uncontrolled play areas.

And so the pendulum has for the moment come to rest at a far more rational point where the justification for both low and high rise and the proper distribution of both can be more calmly re-assessed.

During this last year the whole problem, extending through the entire province of architectural design, has been aired more thoroughly than at any time since 1945. This airing has been seen to be effective in new projects which, in any case, were mostly hatched several years before completion.

There were the splendid efforts of Darborne and Dark at Lillington Street in London, which sparked off a real interest among London housing authorities in providing neighbourly homes near the ground. This does not rule out the tall block which, for childless couples and for single people is still welcomed by tenants, but it shows something which has become evident during this last year that there is more than one answer to a problem.



Rooms with a view: ". . . pendulum has for the mom[ent] come to rest at a far more ratio[nal] point, where the justification [for] both low and righ rise and [the] proper distribution of both can [be] more calmly re-assessed. L[eft]: Flats at Kennington in So[uth] London. Above: Ronan Point at the collapse.

Looking at the commercial scene, the continued insistance on the maximum use of space producing the lowest price per square foot has at last shown some modification, wherein the client has seen the planning benefits of far more attractive use of ground level approaches sometimes by means of well landscaped covered reception areas with the real business of accommodation starting at first floor level.

The matter of conversion has come very much to the fore in the public mind. Numbers of architectural practices have already achieved interesting results in taking over old warehouses and other commercial buildings and translating them into quite remarkable studio and office accommodation. Incredibly decrepit remains of old workshops behind Parkway in Camden Town, where Richard Sheppard and Partners have conjured a remarkable result around a triangular courtyard, offer a first-class example.

In fact it can be said that the humanities have returned to architecture, chiefly by the desire of responsible architectural practices to break out of the prison of restriction imposed by clients who have hitherto regarded financial returns as the only criterion of good architecture.

In all this the public have played a very considerable part. The local societies, largely led by architects, have brought down many ill-conceived projects by persistent insistence that there is a heritage not only to conserve but to build upon by a more humanitarian approach to the things wh[ich] have over centuries crystalli[sed] a human environment.

The danger now is from [the] over enthusiastic who can[not] bear to see anything destro[yed] and replaced that is more t[han] about fifty years old. Discrim[ina]tion in these matters is a v[ery] delicate matter. There is [at] present a considerable strug[gle] going on to preserve a victor[ian] warehouse of 1877 in Northa[mp]ton. It is by all criteria [an] awkward design but stated t[o be] of "good structural condit[ion] . . . very suitable for con[ver]sion." It stands beside the [new] Carlsberg Brewery and is ow[ned] by them, but its value as ar[chi]tecture in the historical se[nse] is surely questionable, compa[red] with such major monument[s of] the period as St. Pancras Sta[tion] hotel or other mighty [con]tributions of the Victorian e[ra].

THE FINANCIAL TIMES, published daily ex[cept] Sundays and holidays. U.S. subscri[ption] $190.00 (air freight) $3?? (air mail) [per] annum. Second class postage paid at [New] York, N.Y.

Motoring

Disappearing ladies

BY JAMES ENSOR

MOTORING CALENDARS, like other aspects of the motoring scene, have been suffering from the recession. The plethora of glossy prints of gorgeous half-dressed women which competed for space in the tyre fitting bay—or more frequently, the managing director's office wall—have shrunk to a handful. Pirelli, after ten years at the top of the motoring calendar league, decided to end its series on a high note. Avon has also stopped its calendar, which in recent years, was beginning to rival Pirelli in artistic taste and subtle display. Michelin, which being a serious-minded company headquartered in Clermont-Ferrand, never sank to showing girls on its calendars, has also apparently stopped its beautifully produced series of boating, collecting and fine art calendars.

Avon Motorway Calendar

As far as motoring calendars are concerned, that leaves a pretty small field. British Leyland's Unipart, spare part division, which had the bright idea of sending its annual calendar out in bi-monthly instalments to provide a continuous reminder of its products, continues.

So does Avon, through its Motorway Tyres and Accessories subsidiary, which has produced a calendar for 1976, in very much the same tradition as some of the earlier Pirelli and Avon productions. But for the rest—1976 seems likely to be a distinctly non-vintage year for voyeurs in the tyre-fitting bays.

The Motorway Calendar, which looks like being the best of the '76s, follows the now familiar pattern of showing girls, partly dressed or undressed, shown off in carefully constructed and contrived situations. The sets alone apparently took anything from a day to a week to build and show beautifully imaginative 1920s themes. The whole aura is vaguely cinematic, with a girl on a casting couch in one month, a girl playing with conjuror's rings in another, and a naked seamstress fitting together costumes in a third month. The picture which most of the model girls, themselves regarded as the most successful in the calendar, however, shows a very well-proportioned young lady trying on a 1920's-style bra, which she has found in an old trunk, stored in a loft.

For those who think that Pirelli is still unrivalled as the motoring calendar, there is a source of endless nostalgia in "*The Complete Pirelli Calendar Book*" which has been produced as a Pan paperback with an introduction by David Niven.

As Mr. Niven explains in his note: "When I heard that the denizens of Pirelli's own boardroom had suffered a traumatic lapse and decided to discontinue the making of their calendar, I was appalled and wrote to the Chairman of the Board telling him so." The result was that he was signed up to write some words for Pan to put with the pictures, and, as always, he has done it with a rare, dry wit.

The pictures, themselves—and that after all is what calendars are all about—shows just how much styles and attitudes have changed in the past decade. In 1964, Pirelli took one model to Majorca, and showed her mostly in rather unrevealing bikinis. The most daring shot, I suppose, is a fairly conventional nude, upper body, with arms clasped across the breasts in a modest pose as the girl enjoys the Majorca sunshine, with eyes closed.

The next year in the South of France is little different, except that one-piece backless suits mostly replace the bikinis, but 1966 in Morocco, with three or four girls begins to set the Pirelli style. Close-ups, shots from odd angles, girls in wet suits and girls in diaphanous bras and panties shows a pattern which is continued and strengthened in 1968 in Tunisia.

By 1969, Pirelli had branched out to Big Surf, California, a year remembered for the close-ups of lips, coke bottles, ice creams and cigarettes shown in telephoto close-up.

With the 70s, the Bahamas, and Jamaica show a succession of girls, lying in surf, sitting by the water by moonlight or waiting aimlessly in the sun and the first real nudity appears in the calendar. 1972 is Paris with thinly disguised mesdamoiselles waiting patiently for custom, in filmy, French underwear, 1973 was the wild Pirelli, with black plastic and red plastic, spurs and teeth gripping a steering wheel but 1974 took us back to the Seychelles with women in close-up again, but this time without a bikini to be seen.

The Arts

Figaro at the Met

BY ANDREW PORTER

The Metropolitan Opera's new *Figaro*—the first brand new production of the season—is not much of a performance. Steuart Bedford conducts, swiftly, unyieldingly, unfeelingly. Robert O'Hearn's scenery is unattractive but serviceable. Like several other recent *Figaro* designers, he has aimed to show more of the palace than just the immediate rooms of the action: a corridor in Act 1, a terrace in Act 2. It gives a sense of intrigue scuttling throughout the place but blurs the sharp focus of the scenes and spoils, by anticipation, what should be some sudden entrances. In Act 4, *Figaro* designers often come unstuck, though "a dense garden with two corresponding niches, usable" should be easy enough to achieve. Mr. O'Hearn settles for an arrangement of oversized fireguards, which catch the follow-spots—the Met's basic system of lighting—when characters duck behind them.

Günther Rennert's production is firmly laid out on conventional lines but lacks any sharp definition. Its main innovation—in Act 2, the Countess sets out to seduce Cherubino—is tasteless, and untrue to the character of the woman who has just sung "Porgi amor." Social distinctions are blurred because the Count and Figaro, Wolfgang Brendel and Justino Diaz, seem curiously interchangeable. In his wooing, the former is like a young Ochs. (A grown-up Octavian would be more appropriate.) The best singing comes from Frederica von Stade, as Cherubino, though she is less well accompanied here than by John Pritchard at Glyndebourne or Karajan at Salzburg. Judith Blegen's tones are too small and narrow for Susanna but otherwise she is altogether delightful, a complete actress and musician in all her inflexions, in every alert gesture and glance. Evelyn Lear essayed a Countess in the grand manner, but her voice would not do what she asked of it.

The edition is "old style"—hundreds of missing appoggiaturas; no cadenzas or graces; holes in "Dove sono"; high Cs for Susanna, not the Countess, in the Act 2 trio (given the respective voices, this was wise): traditional order for Act 3 (not the persuasive Moberley-Raeburn revision, which has been accepted by both London houses, Glyndebourne, Salzburg, and the New York City Opera). The publication of *Figaro* in the Neue Mozart Ausgabe sent me back to look at the autograph—as much of it as is available. (Acts 1 and 2 are in Berlin—there is a microfilm here—while Acts 3 and 4 have still to emerge from their wartime refuge in Poland). And I find that I owe readers of this page an apology for having drawn some deductions, in the past, from earlier scores based on that autograph but, as I now discover, not accurate representations of it. When the missing stretch of *Figaro* becomes available again, many problems should be solved (such as where to set the opening scenes of Act 4).

Rita Hunter sang her first Normas in San Francisco, and favourable reports filtered back. Then she sang the role in New York, and was pasted. Unfairly, in my view. She sang all the notes (except the rising arpeggio at the end of the "Guerra" chorus—and that always seems to be left out), and she sang them definitely, firmly, surely, and often grandly. She looked massive—a 'normous Norma—and perhaps the expressiveness of her eyes did not project into the huge spaces of the Met. But (I heard a tape of the San Francisco show) there *was* a difference between the West and and the East Coast performances. In San Francisco, she had a conductor, Carlo Felice Cillario, who gave the music time to breathe, who allowed the phrases to be shaped eloquently. In New York, Gianfranco Masini (who can be so permissive when he accompanies Caballé) beat through the score with a rigid, insensitive hand. Miss von Stade was a lustrous Adalgisa, John Alexander pretty much of a blank as Pollione, and John Macurdy a sonorous Oroveso.

While London has four "serious" daily papers and then three on Sunday to provide a spread of informed newspaper criticism, in New York there is just The New York Times, so it is rough luck on a performer if The Times does not happen to like her. It did not like Miss Hunter's *Norma*, and it did not like Régine Crespin's Carmen—her first performance of the role on stage. (She had recorded it before, for Erato). I did. One reason was that, not having encountered a French Carmen since, in my student days, Solange Michel at a Opéra-Comique, I found it a delight to hear the text so beautifully declaimed. Mme Crespin was alluring not in any obvious thrusting way but for the elegance and finesse with which she turned the phrases and her simple yet subtle acting. With a glance of her expressive eyes and perhaps a lingering touch on a consonant or a sudden fleck of impudent tone-colour, she achieved effects that hip-swinging Carmens strive for in vain. The voice flowed with a beautiful, dark shine; only the higher notes were frayed.

Justino Diaz and Judith Blegen

James McCracken's José was noble. He handles the music more flexible, more lyrically, than in 1972, when this production opened and the DGG recording was made. He was powerful, poetic, and very moving. Micaëla (Lucine Amara) and Escamillo (Matteo Manuguerra) were so-so; the conductor, Henry Lewis, was poor.

Elektra has been revived, with Danica Mastilovic making her local debut in the title-role. Teresa Kubiak and Leonie Rysanek (said to be in fine voice) alternate as Chrysothemis, and Astrid Varnay as Clytemnestra. Also *Hansel and Gretel*. At the time of writing, the management and the orchestral union are on collision course. The orchestra, which has been playing the season without an agreed contract, is not prepared to continue doing so after December 31. Two days later, a major revival of *Fidelio* is due. (It was to have been conducted by Bernstein, but he pulled out, leaving his protégé John Mauceri in charge.) Meanwhile, business is good. "Standing Room Only" is the regular announcement, and so far the season has played to 95 per cent. capacity houses.

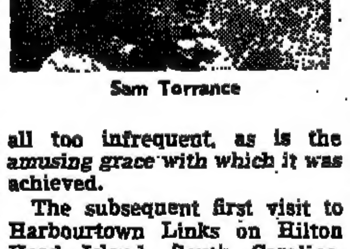
Golf

A slip from glory

BY BEN WRIGHT

ANY REALISTIC REVIEW in world terms of British golf achievement in 1975 can only involve castigating the majority of our professonals. An 18-year-old lad, Nick Faldo, has—with the exception of the splendid Scottish victory in the European team championship—conducted virtually a one-man amateur band. Only discrete silence can cloak the mostly miserable efforts of our women golfers, amateur and professional, but that is nothing new. The fact that we are slipping ignominously out of contention as a world class golfing power can hardly have escaped the attention of even the most chauvinistic, so my review of the season will be an intensely personal one, gleaned from jottings in a well-travelled diary.

Brian Barnes



Sam Torrance

If there can be a better start to any British golfer's year than a trip to Tobago for the Mount Irvine Bay Hotel pro-am for two weeks in January I wish someone would let me know. But my most significant memory of the trip this year was the first dawn training run organised by John Fitzpatrick, an amateur golfer but a very professional racing driver. Sam Torrance, the young promising Scottish professional, was among our track-suited squad earnestly aiming at some degree of fitness. It is with no kind of satisfaction that I record that, despite the fact that I am older than Sam's father, I lasted the trip much better than Torrance junior. Gary Player would have some well-chosen words to say about that.

A pro-am brilliantly organised by club manager, David Vansittart, at Vale do Lobo, on Portugal's Algarve coast was February's highlight, in spite of the political storm gathering there at the time. The area is virtually deserted now, as safe as houses, and represents the best golfing holiday value in Europe, if not the world.

Joanne Carner's glorious bunker shot at the 18th hole at the Australian Golf Club, Sydney, which finished stone dead and won this powerful American proette the Wills-Qantas Australian Women's Open on March 2 was worth travelling so far to see. And although the journey from there via Dallas, Montreal and New York to Orlando, Florida, for the Citrus Open was an arduous one, it was rewarded by a winning performance from Lee Trevino that is becoming, alas, all too infrequent, as is the amusing grace with which it was achieved.

The subsequent first visit to Harbourtown Links on Hilton Head Island, South Carolina, for the Sea Pines Heritage Classic convinced me that this Peteu Dye-designed course ranks alongside Robert Trent Jones' Pevero on Sardinia's Costa Smeralda as the best two new courses in the world. At Harbourtown Jack Nicklaus served notice of what was to come by eclipsing Tom Weiskopf's record 65 with a 63 a few hours later psychologically upstaged his great rival two weeks before repeating the decisive dose at Augusta.

If Nicklaus's one iron short to the 15th green in the last round of the greatest Masters was the finest shot I have ever seen struck with that club, Jack's towering two iron shot 250 odd yards from the left rough to the 18th green at Royal Montreal in the Canadian Open in late July—after Jack had hooked his drive into the lake—was every bit as phenomenal. Justice has no place in golf; but it was seen to be done when Weiskopf made his glorious par four at the same hole to tie with an exquisite little pitch from the deep rough to the right of the green, and then placed his seven iron second shot no more than a yard from the first play-off hole for the sweetest revenge over his fellow native of Columbus, Ohio.

On May 4 there was Brian Barnes sprinting from the Press room across the lawn and putting green at La Boulie, Versailles, when I told him he had but two minutes to spare before his final, victorious round in the French Open. And how typically courteous it was of partner Neil Coles to drive first instead of Barnes so that the big fellow could get back his breath as he tied his shoelaces. For me this victory for Barnes was far more significant than his two triumphs over Nicklaus at Laurel Valley, Pennsylvania, in September when the Ryder Cup was no longer at stake. In passing, my brickbat of the year to this golf club for trying, and thankfully failing, to bar the players' decorative wives from their clubhouse during a dreadfully one-sided fixture.

Moving on from Versailles to Ballybunion provided the most complete contrast in every way, not least in the heartening performances of the youngsters in the increasingly popular Aer Lingus Schools' Team Championship run in conjunction with the wonderfully selfless officials of the Golf Foundation. In quick succession one flitted from Hollinwell, Nottinghamshire, and another triumph for youth in the mature shape of Sandy Lyle in the Brabazon Trophy to steamy Memphis, Tennessee, and another easy victory for veteran Gene Littler.

This most popular and gentlemanly of Americans had supported the Danny Thomas Memphis Classic, whose proceeds go to a local hospital devoted to cancer research, in every year of its existence other than that during which he fought and won his own desperate battle against the disease. It was hardly surprising, then, that 146,100 people turned out over the four days to cheer Gene home — a poignant moment.

To arrive in St. Andrews at its bleakest for the Walker Cup match provided a shock to the system in no way alleviated by the British and Irish performance. And the subsequent combination of weird weather and even stranger events at Medinah—I still find it difficult to believe that Nicklaus dropped shots to par at the last three holes to throw away the title—made the U.S. Open the least memorable of recent experience.

But pardon me. I have only reached half term, and not even managed a sideways glance into the crystal ball to come up with some predictions for 1976. More of this next week.

Architecture it is

BY H. A. N. BROCKMAN Architecture Correspondent

Robert Maguire and Keith Murray are two London architects whose work is not sufficiently known. They together designed St. Paul's Church, Bow Common, some 20 years ago, attracting considerable and appreciative notice at the time. Recently an exhibition of their work was held at Bielefeld in Germany and this has now come to the Institute of Contemporary Arts in London where it will remain until January 6.

Among the exhibits are photographs of extensive additions to the ancient St. Mary's Abbey at West Malling, Kent, the present home of Anglican Benedictine nuns where new living quarters, a church and a cloister have been sensitively grafted on to the mediaeval ruin. The additions are simply handled in materials that closely match the colour and texture of the old work.

The illustration shows the new western range between a Victorian addition and the Romanesque tower of the original abbey building. The long strip of windows underneath the eaves lights a corridor which connects with a range of cells: behind this is the cloister court. "We are interested" say the architects, "in building for people, not for producing 'Architecture'." Nevertheless, architecture it is.

Additions to St. Mary's Abbey, West Malling

The Magic Flute

BY GILLIAN WIDDICOMBE

Moderate singing, a delightful flat-footed panto dragon who died with lollipop eyes rolling, three boys in a balloon, with orange berets and shiny Swedish complexions; gentle snow falling. A cosy decline, this *Magic Flute* film, in the directing talents of Ingmar Bergman; and a waste of an opera to which the film medium could have added unusual dimensions. However, the film was, in effect, a 50th birthday tribute to Swedish Television.

Bergman chopped and changed his conventions. The overture consisted of close-up studies of his audience—without expression, save for eyes gleaming with anticipation—in which I found strong racist undertones. And once or twice, he returned during the performance, to the innocent optimism and wide-eyed enthrall of a young, very Swedish six year old. Act one began as a stage presentation, and surreptitiously moved to film set and location later on. Rather a mish-mash I thought, but less contrived than some more glossy opera films. He solved the interval problem with some humour: a short pause during which we saw the cast in their dressing rooms, each doing his own thing—Sarastro delving into the vocal score of *Parsifal*.

The opera was sung in Swedish, with English sub-titles (far too many of them). Cardboard plaques descended with handy morals engraved upon them—a bit cute, but not disturbing.

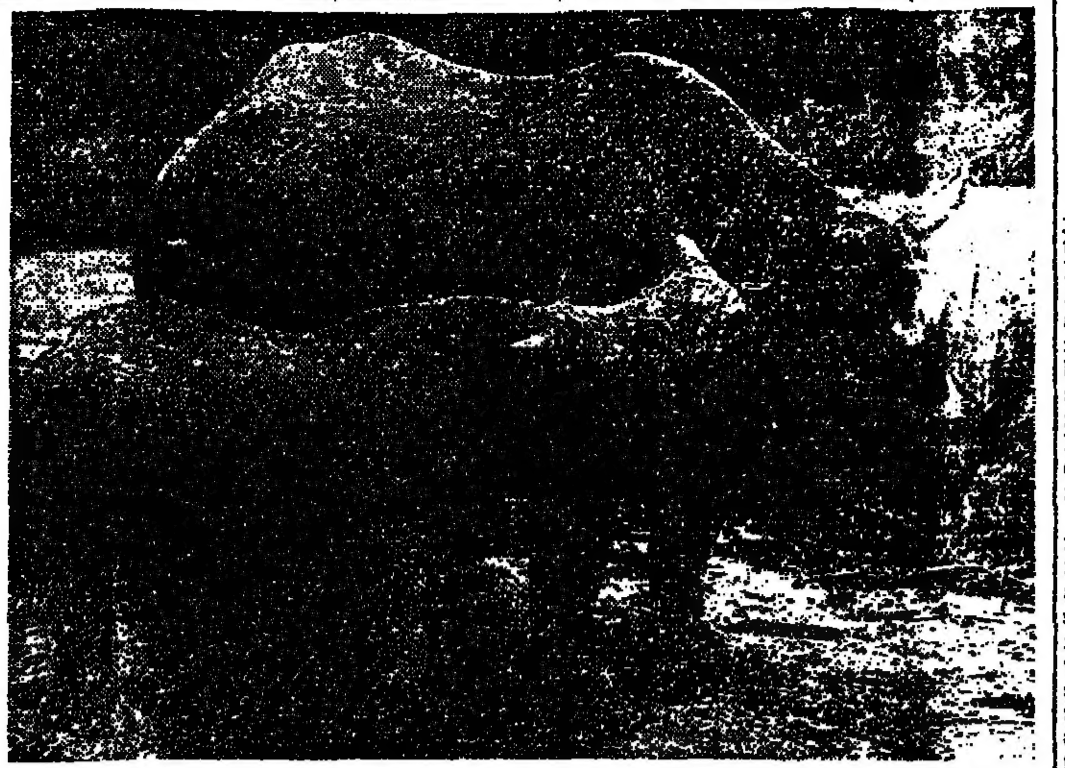
The musical performance was enjoyably unremarkable, and unremarkably enjoyable. The ladies dominated. A clean, attractively phrased Pamina from Irma Urrila; an acid, but accomplished Queen of the Night from Birgit Nordin; thin Tamino from Yosef Kostlinger, an agreeable Papageno from Haken Hagegard. Ulrik Cold's Sarastro looked gentle and imposing, but sounded as though he had one. Distant orchestra.

Hakan Hagegard

Travel

A beastly break for lunch

BY SYLVIE NICKELS



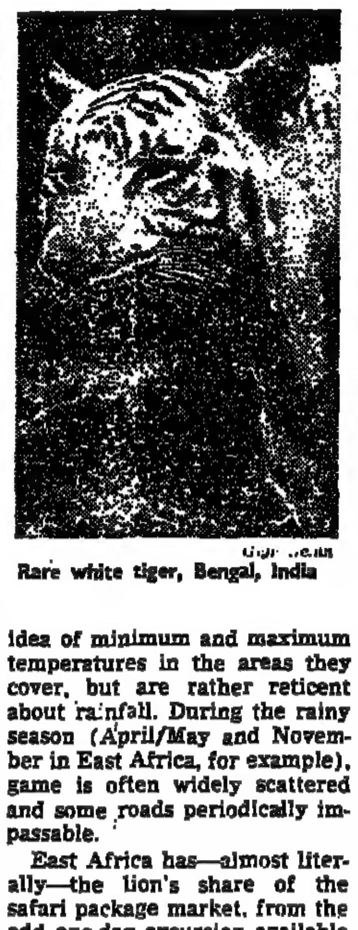
Rhino and cub, Amboseli National Park, Kenya. Freddie Mansfield

ONE OF THE MOST memorable meals I have ever had consisted of a packet of sandwiches. The place was a Land Rover parked under a tree in Lake Manyara Park, Tanzania. Above us, draped over a branch and radiating well-fed indolence, sprawled a leopard occasionally blinking and yawning at us like an overgrown, good-tempered cat. We were not deceived, and nor were the other denizens of the surrounding groundwater forest. As the leopard duly descended and padded quietly away through the tall grasses, the general jungle hum grew into a crescendo of dismay and agitation.

Later that day, we had to back away from some elephants, not because of any evil intent on their part but because they had the right of way. And we saw baboons and monkeys, buffalo and wildebeeste, zebra and the lovely impala.

We did not see Lake Manyara's speciality, the tree-climbing lions, because they were inaccessible beyond a river swollen by the rainy season. But just then I would not have swapped all the lions in Africa for my lunch with a leopard.

There are other grand wild life memories: of a pride of lions finishing off a kill in South Africa's Kruger Park; of baby elephant bathing in India's Periyar Wildlife Sanctuary; of scarlet ibis streaking home to roost in Trinidad; of crocodiles wallowing muddily in Ethiopia's Rift Valley.



Rare white tiger, Bengal, India

Visits to game parks and reserves form part of a variety of arrangements and may consist of a place on a regular minibus service or as a member of a smaller individual party, with guaranteed window seat and often the company of a local expert or a guest lecturer travelling with the group throughout. The latter is the more expensive way, but you see, and learn, much more. Escorted tours of this kind are usually more leisurely, too, and timed for the best seasons and best times of day for viewing game. The season is important. Most tour operators now give a very fair idea of minimum and maximum temperatures in the areas they cover, but are rather reticent about rainfall. During the rainy season (April/May and November in East Africa, for example), game is often widely scattered and some roads periodically impassable.

East Africa has—almost literally—the lion's share of the safari package market, from the odd one-day excursion available as an optional extra for the sun-and-sea addicts to fully-fledged game-viewing fortnights. One of the longest is a 24-day arrangement by Bales Tours for £846 (departures February 13 and October 8) of which the last week is spent by the Indian Ocean. Nine game parks and several bird areas are visited, with a guest lecturer and a guaranteed window seat.

Kuoni-Houlders have year-round departures for their two-week East Africa Cheetah Safaris, costing £473 plus £25 for a guaranteed window seat. Other lower-priced arrangements combine a week on safari with a week in Nairobi, Mombasa or Malindi. Rankin Kuhn also have a wide range of such combinations by which you can tack one of a series of 3-7 day safaris on to an inland or coastal stay, with the choice of scheduled or private vehicles while on safari. It is worth remembering that the variety and quantity of game varies considerably from one game park to another. On the other hand, you are likely to see just as much on one leisurely visit to a major reserve as you are by racing through several in the same amount of time.

Swans, long-established specialists, have eighteen East Africa wild life safaris in 1976, each accompanied by an expert. They also feature three- and five-day Fly Safaris ex-Johannesburg in their South Africa programme, with air travel to eliminate long-distance driving.

The cost respectively is £86 and £126 and can form part of one or more centre holidays in the Republic. And still in Africa, Malawi's game parks are included in Martlet Travel's offers of 17- and 20-day arrangements which also give you up to a week in Mauritius or the Seychelles. There are several escorted departures in the £520-£700 range.

The only wild life tours I have so far traced to India for 1976 are operated by Town and Gown Travel. There is a fascinating itinerary departing February 14 and accompanied by John Gooders, including game viewing from the back of an elephant in the tiger country of Nepal's Royal Chitwan National Park (16 days, £550); and another departure on June 9, for the flora, fauna and avifauna of the Himalayas, accompanied by John Gooders and Anthony Huxley (17 days, £585). The latter entails some gentle high altitude walking.

Finally, a very different destination: the Galapagos Islands, 600 miles off the coast of Ecuador. Accompanied by two guest lecturers, departures through Bales Tours are March 11 and October 28 (16 days, £678), with a few days at leisure in Ecuador and eight days cruising through what Charles Darwin described as "a living laboratory of evolution." And

Further information: Bales Tours, 16-17, Coventry Street, Piccadilly, London W1V 8BL; Kuoni-Houlders, Deepdene House, Dorking, Surrey RH5 4AY; Rankin Kuhn, 19, Queen Street, Mayfair, London W1X 8AL; Swans, 237-238, Tottenham Court Road, London W1P 0AL; Martlet Travel, 24, Preston Street, Brighton, Sussex BN1 2HN; Town and Gown Travel, 41, South Parade, Summertown, Oxford OX2 7JP.

Gardening

Frost, rain and country tales

BY A. G. L. HELLYER

you could hardly have a better testimonial than that.

I SHALL remember 1975 chiefly for its delightful winter, disappointing spring, difficult summer and superb autumn. It all began with such promise with scarcely any frost to stop roses flowering right into January. By March I was busy sowing outdoors, an unusual occurence on my normally cold and wet soil.

By April things were beginning to go sour. Several nasty frosts had done a moderate amount of damage and chilled some plants that had been removed too precipitately from a well warmed propagator to the greenhouse staging. But even this forewarning of dangers ahead did not prepare me for the disaster of late May when two bitter nights stripped most of the leaves from lilacs and dawn redwoods leaving them looking as if blasted by some awful blight. I really wondered whether they would ever recover but a month later they were in full leaf again and by the end of the summer it was impossible to say that they had suffered any permanent harm.

In fact my heavy, poorly drained soil proved to be a positive advantage during those hot dry months that were working havoc in many other gardens. When friends were complaining that even well established trees were dying for lack of moisture most of mine were still looking quite happy though one big embothrium suddenly collapsed. But that, I think, was at least in part due to root infection, perhaps by honey fungus. It is summers such as these that show up any already existing weaknesses of this kind. Anyone who travelled in the west or south west of Britain last August must have been horrified by the havoc which weather, beetles and fungus had wrought on the elm population.

It was far worse than in any of the preceeding years, bad though some of those had been.

At this stage many experienced arboriculturists were shaking their heads and prophesying that numerous other trees besides elms would die and that there would be an early leaf fall and little or no autumn colour. They could scarcely have been more mistaken. Rain in plenty came to most areas in the nick of time, the leaves stayed on and ripened as I can never remember them ripening before. I was fortunate in being able to visit several arboretums in October including those at Westonbirt in Gloucestershire and Winkfield in Surrey.

Only in the eastern states of America have I ever seen richness of leaf colour to surpass this. I am sure that such an autumn will send hundreds of garden owners scurrying to their nurserymen or garden centres in search of maples, sorbus species, parottias, fothergillas, deciduous euonymus and azaleas, scarlet oaks and all the other trees and shrubs that contributed so handsomely to that unforgettable scene.

And so what of the future and what lessons are to be learned from our experiences in 1975?

Perhaps most importantly that in Britain no two years are ever alike. Each brings its own pattern of weather and its own problems and successes. So gardeners must always be ready to improvise to meet conditions as they actually are and not as they should be according to the books.

Secondly we should learn never to be in too great a hurry especially in sowing and in putting out greenhouse raised plants. I have just received a letter on these lines from a friend who lives near the sea in South Devon where one might suppose that they do not even know what winter is.

But 1975 persuaded him that late sowing is best for many things. Potatoes planted at weekly intervals got better and better as the date of planting got later and the same applied to many of his vegetable sowings. True his results were complicated by the unexpected arrival in April of an almost unlimited supply of cow manure which he is not usually able to obtain in quantity. So the early sowing and plantings had lots of home-made compost plus fertilisers and water and the late ones had cow manure and nothing else. The difference, he reports, was a revelation even to a confirmed organic gardening enthusiast. But he is convinced that the late sowing also helped.

At the moment we seem, at least in the south-east, to be heading for a hard winter which would not surprise me after the long succession of mild winters we have enjoyed.

But there are old country sayings to the effect that ice in December to bear a duck, will be followed by nothing but slush and muck—so maybe there really is little to be learned from the present about what the future holds in store. It is also clear that recent very cold weather has been mainly an eastern and south-eastern visitation. Bearing in mind frequent Scottish complaints that we gardeners in the south know nothing of the rigours of Scottish winters it has been ironic to watch television weather maps in recent weeks consistently showing night temperatures in Western Ross as much as six to eight degrees Centigrade above those on the Sussex-Kent border where I live.

It cannot be too often stressed that the temperature range in the British Isles is a north one. It should also be west-east affair not a north-borne in mind that altitude can be a good deal more decisive than latitude in determining what one can and cannot grow.

Anything above 700 to 800 feet can make life a bit difficult for the gardener and severely limit both the range of crops and the calendar of operations.

Whatever the winter really holds in store I am preparing for the worst and have already moved all the more tender plants from my two small greenhouses into a small glazed verandah which gets quite a lot of warmth from the house, heats up rapidly by day if there is any sunshine and so can be kept at 7C or better with a minimum expenditure on fuel. I do not regard this as an ideal winter minimum for most greenhouse plants: 10C would be better and 13C, best of all, but each rise of a few degrees can double the fuel bill. So this year my policy for greenhouse plants will be survival not comfort.

I will not be tempted to sow a single seed until March—not even in that economically heated propagator which can produce germination in a week and then leave me with nowhere to put the seedlings.

How to spend it by Lucia van der Post



1. Who's who?

Pictured here are six actors who are well known for their portrayal of famous detectives in fiction.

But which authors created these characters? And which actors took the parts in television or cinema? You are invited to solve the mystery.

The authors, actors and detectives are listed together with two strangers who are present merely to confuse the trail. Each has been given an identifying letter. Fill the correct letters into the space above the picture of each actor to indicate his name, the character he portrayed, and the author.

Character
A Sherlock Holmes
B Inspector Maigret
C Lord Peter Wimsey
D Paul Temple
E Father Brown
F Hercule Poirot
G Simon Templar
H Philip Marlowe

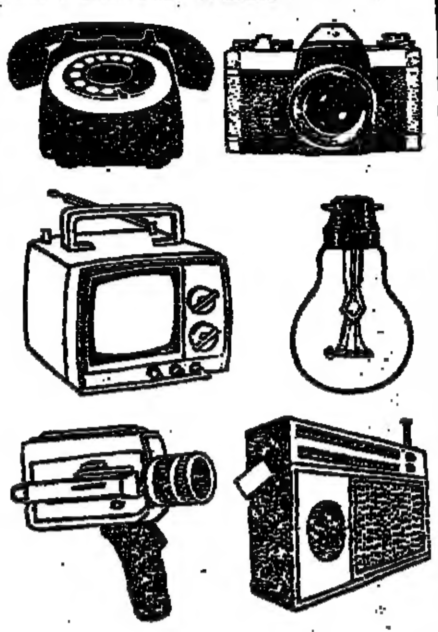
Actor
J Roger Moore
K Albert Finney
L Peter Cushing
M Rupert Davies
N Ian Carmichael
P Kenneth More

Author
Q G. K. Chesterton
R Leslie Charteris
S Georges Simenon
T Dorothy L. Sayers
U Agatha Christie
V Sir Arthur Conan Doyle



2. Who invented what?

Here are six items we take for granted to-day, but do you know who invented them? You will find their creators below, with three extra names included to make your task a little more difficult.



Thomas Alva Edison
George Eastman
Michael Faraday
Guglielmo Marconi
John Logie Baird
Sir Robert Watson-Watt
Alexander Graham Bell
William Friese-Greene
Alessandro Volta

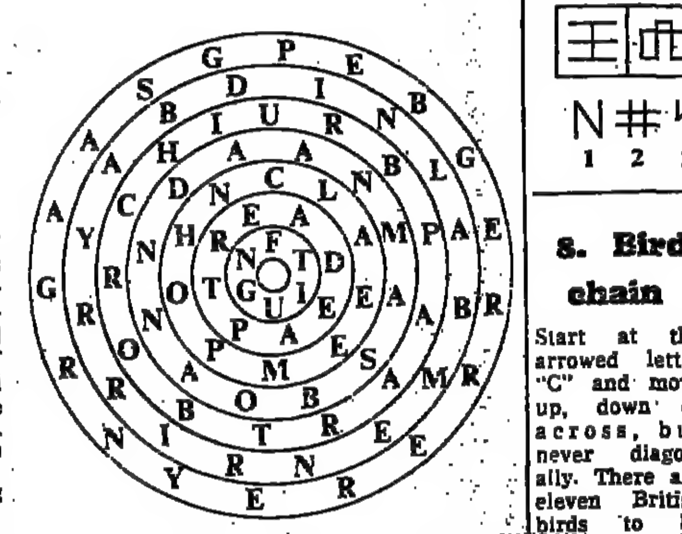
Have Fun and Win a Bottle

So many readers write each year to say how much they like having something to exercise their minds after the turkey and the plum pudding, so here once again is a quiz. It's been devised for us by Quiz Digest, the monthly magazine for puzzle addicts, and we think it's varied enough to please most people. We are offering three equal prizes—three bottles of champagne—to the first three fully correct, or nearly correct, entries opened in this office on Monday, January 12th. I hope that even those of you who don't win enjoy doing the quiz and I wish you all a very happy New Year.

Address all entries to: Quiz, How to Spend It, Financial Times, Bracken House, Cannon Street, London EC4P 4BY. You should send in your answers on the actual copy of the page where necessary.

3. Roundabout

By taking alternate letters either clockwise or anti-clockwise, find the names of two fruits in each of the seven circles. List them from the outside working inwards.



4. Word square

The answers to the clues in this puzzle read across and down.

1 Constricted thoroughfare
2 Merit for tidiness
3 What's the fuss about?
4 Russian cloth
5 Reset the wood

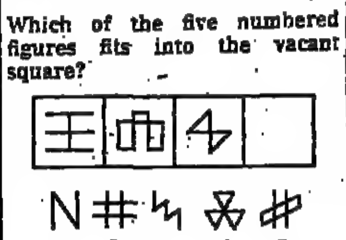
	1	2	3	4	5
1					
2					
3					
4					
5					

5. Rebus

What piece of music is represented by these pictures? (2 words—10, 5)

6. Picture puzzle

Which of the five numbered figures fits into the vacant square?



7. Brain teaser

If each letter represents a different digit from 1 to 9, what are the values of the letters "a", "b", "c" . . . "j"?

$$\begin{array}{ccccc} jg & + & d & = & ja \\ + & & + & & + \\ jf & + & jh & = & hd \\ \hline hc & + & jb & = & fe \end{array}$$

8. Bird chain

Start at the arrowed letter "C" and move up, down or across, but never diagonally. There are eleven British birds to be found, and there will be eight letters left unused. From these you can make another colourful bird.

U	S	H	B	I	I	G	N
R	H	R	O	N	P	E	O
H	R	I	N	W	A	T	N
T	D	B	Y	O	S	W	A
A	C	K	S	W	L	A	N
L	B	O	P	O	R	R	S
A	K	O	J	W	E	A	P
U	C	T	A	Y	S	W	A
C	T	I	T	W	O	L	L

9. Anagrams

Each sentence below contains a clue to an anagram to be found within it. In each case the answer is formed from consecutive letters in the clue, and the numbers of words and letters in each answer is given in brackets. For example, to solve No. 1 you have to select 18 consecutive letters contained in whole words in the sentence and re-arrange them to form the three-word answer, a clue to which is given in the sentence itself.

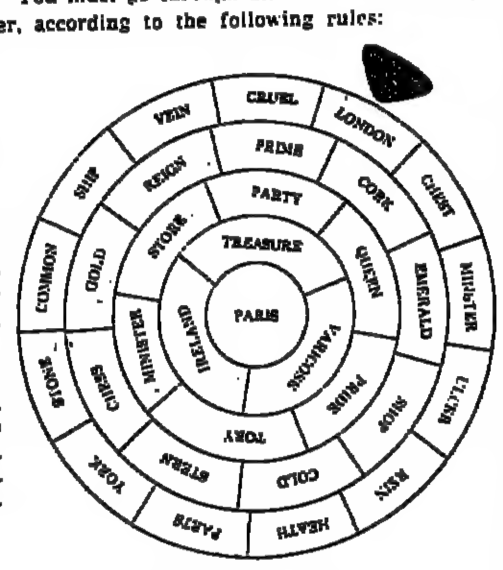
All five answers are much-used sayings.

1 If a tar needs licence to drink blame his ripe accent (3 words, 18 letters)
2 You may go in the nude to these parties old son! (2 words, 13 letters)
3 A bishop in Hull can be described as clumsy (5 words, 16 letters)
4 In which a government may wheel in the RIP contenders (2 words, 13 letters)
5 The gear that is said to be horizontal yet its upright (4 words, 14 letters)

10. Journey from London to Paris

Work from the arrowed word (London) to the word in the centre (Paris). You must go through all the words but may go in any order, according to the following rules:

1 the next word can be an anagram or synonym of the previous word
2 it can be obtained by adding, subtracting or changing a letter
3 it can be connected by free association of ideas (for example, lady-luck, good-bad).



11. Short logic problems

1 Driving along the M1 the other day I averaged 30 mph for the first five miles, then 60 mph for the next three miles and 90 mph for the final three miles. What was my average speed for the 11-mile journey?

2 After Christmas we were left with just about half a box of chocolates to share out.
Alice had half the chocolates plus ½ a chocolate
Bill had half the remainder plus ½ a chocolate
Charles had half of what were left plus ½ a chocolate.
That left *one* chocolate over.
How many chocolates were there before the share-out?

12. Word search

London Transport underground stations

The 32 tube stations listed here can be found in the diagram. The words read forward, backward, up, down and diagonally, but always in a straight line and never skipping letters. It's important that you encircle each word you find in the diagram, as we've done with UPNEY, and it's a good idea to delete the discovered word from the list. You may use the letters in the diagram more than once, as the words often overlap, but you won't need to use them all. NOTE—If a word appears more than once in the diagram, but only once in the word list, mark it just once.

Aldgate
Aldwych
Alperton
Angel
Archway
Arsenal
Balham
Bank
Barbican
Barking
Bow Road
Brent
Charing Cross
Chesham
Croxley
Debden
East Ham
Epping
Euston
Fairlop
Hampstead
Hatch End
Holborn
Kenton
Kilburn
Leyton
London Bridge
Marble Arch
Mile End
Monument
Moorgate
Morden
New Cross
Oakwood
Ongar
Oval
Oxford Circus
Perivale
Piccadilly Cir.
Pinner
Richmond
Ruislip
Strand
Temple
Tower Hill
Trafalgar Sq.
Upney
Uxbridge
Victoria
Waterloo
Watford
Woodford

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S U G R I C K R O F X O O L R E T A W
E X D O R D C H E S H A M P S T E A D
T R O A L N C D R K A P B H O P M L Y
N R O B L O H E E G R A R C C T P D R
E I V A I K A B N A R Y P R R O L V S
M D E L D E E D N E P I O A I N E Y N
T G A R R C I E I S L X P E C V T C O
N E O A E I N A T S L A I L Y O A R T
O E E N V R G U I E L Z E B L B G L E
N N W O O L C U Y G E N E E L A D N F
O V I C T O R I A R O E P A I E L O P
D N C O R N O R B E N T Y N D R A O L
R A N S Y O S E E T A O N G A I N R A
O E O T E Q S U Q I N I G N C C E G E
P T S R U D L S U V L O K N C A S A C
B S T A W N O T Y E L B T R I N R T E
O A R K M O D O E X F J U S P P A R W
O E G D I R B N O D N O L E E U P L A
W A T F O R D N E H C T A H N E N E Y
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Now for the Sales

Speaking personally I don't think I will be able to face a shop for several weeks to come but, for those who are stronger-willed or more determined shoppers, many sales start to-day and there are some exceedingly good bargains to be had. At Barkers of Kensington High Street there are some particularly good bargains in the coat line. There is a big selection of Mansfield coats in very warm wool velour—in fact so warm was this Cape we photographed that our model could hardly be separated from it when the photographic session came to an end. This cape comes in this winter's colours—rust, bilberry or brown—and is reduced from £46.20 to £29.50, sizes 12 to 16. For those still in need of a winter coat Barkers will have a big selection of all sorts. The hat, scarf and mittens are not in the sale, being traditional Arran wool wear from Pallas. The set costs £16.50. The young boy on the right is wearing a very good quality dark green Loden coat, reduced from £18.50 to £13.50. There are coats like this available for boys aged 8 to 16-year-old, as well as pure wool sweaters, reduced from £6 to £3.75, Airtex shirts, slightly imperfect reduced from £3.25 to £1.55. For those who are interested in furniture Maples stores throughout the U.K. will start their winter sales to-day. They will open from 9.00 in the morning and stay open until 5.30 and the bargains in carpets seem to be exceptionally good. If you've always hankered after a proper Burberry (and I always have) Burberry's will have some at greatly reduced prices in their sale starting on Friday 2nd January. For both men and women, lined and unlined, reversible or trenchcoat style, almost all will have big reductions.

Freddie Mansfield

Property and housing

Living space in old settings

BY JUNE FIELD

BUILDINGS ARE for people, rightly declares the Countess of Dartmouth in *What is Our Heritage?* in her capacity as chairwoman of the committee for Heritage Year. She proves her point by illustrating the new uses for such unlikely places as a tannery store in Edinburgh (now 22 flats), prison and police barracks in a Georgian building in Bath (converted to 12 apartments) and a comman latrine in Oxford that has had its equipment removed and given a new look as a lecture hall.

While this publication from HMSO, however admirable, is really no more than a pretty picture book (and rather highly priced at £3.50), there are two other current publications which put over more of the blood, sweat and tears of restoration.

The Economics of Conservation, a business-like booklet by M. E. T. Thorncroft (£1 post free from RICS, 12 Great George Street, Parliament Square, London SW1), although concentrating mainly on commercial premises, also tells some of the story of Swindon Railway Village. Here 300 cottages are being given the full treatment; it is interesting to note that in the first phase, 24 cottages, originally valued at £330 each, were improved for an outlay of £1,700 each, and the cost of providing similar accommodation, using modern construction techniques, would be approximately £5,500, including immediate external works.

New Uses For Old Buildings by Sherban Cantacuzino (Architectural Press £11.95), gives historic details, work done and the cost of prolonged and useful life of structures threatened with redundancy and demolition. Much of it is concerned with buildings that were the product of the Industrial Revolution, which have been converted to shops, restaurants, offices and museums as well as private houses.

Builder Brian Taylor rehabilitated a derelict power house. Originally a squat rather ugly building with the roof falling in, it housed the machinery for supplying the water and electricity to the Avon Castle estate in Hampshire. Now The Old Power House, Chapel Rise, 1½ miles from the market town of Ringwood, has been transformed into an ultra-modern split-level home with six bedrooms (two could be arranged to form a separate unit), five living rooms (including study, hobbies and playroom) kitchen and two bathrooms. The main sitting-room is on the upper level with an impressive black painted steel chimney-piece against a wall of hand-made bricks, plus sliding doors on to a verandah which goes round most of the house.

There is oil-fired central heating (and if you are worried about power failure, essential services can be run from a generator for which there is a point in the integral double garage), a greenhouse and an acre of garden for £45,000, a drop of £5,000 on the original asking price. Agents Jackson and Jackson, 23, Old Milton Road, New Milton.

Photograph: Trevor Knox

Heathfield House, Nyetimber Lane, West Chiltington, Sussex, a stylishly restored 4-bedroomed Victorian house with Regency overtones. On offer originally at £43,000, it has been reduced to £39,500 through agents Jordan & Cook, Storrington.

Also in Hampshire is a stable block converted contemporary cottage-style. The Stable, Chapel Lane, on the edge of the pretty village of Grately, is six miles from Andover; there are night storage heaters in each of the three bedrooms, sitting-room and dining-room, and the kitchen has natural timber units stained red. Price £23,950 through Pearsons of Andover.

A building which presents no problems when it comes to finding a new use for it, is the Victorian village school. The Old School, Buckland Dinham, is three miles to the north of Frome, Somerset; built in 1854, it has the main schoolroom converted to a handsome 35-foot living-room with twin spiral staircases leading to two galleried landings. Many of the original features have been retained, such as the stone-mullioned windows, ceiling timbers and so on. There is an adjoining cottage which was used by the schoolmistress, and internal services have been arranged so that the accommodation (five bedrooms, two living-rooms, bathroom, utility room and pottery workshop) could be divided into two units.

The property, which also has oil-fired central heating, a 29-foot long outbuilding and ½ acre of garden, has been reduced from £31,000 to £29,000, and the agent, Pearsons of Frome, says the first offer of £28,000 secures.

Towards the Dorset border, is the Old Post House, in the tiny hamlet of Phoenix Green, Hartley Wintney, four miles from Fleet. This pleasant Georgian house was originally the Post Office and General Stores, which has been converted to provide four bedrooms, two bathrooms, and three living rooms, with gas fired central heating, double garage, and an easily managed garden. £29,750 through Pearsons of Hartley Wintney, Hants.

At Thatcham, claimed as the oldest village in Berkshire, since traces of a Mesolithic settlement dating from about 6000 to 4000 BC have been found there, the attractive Chamberhouse Mill project is well under way. The original mill, which dates from 1392, has been converted into individual homes. The first three houses have been sold, and the next three are for sale at £29,500, £31,500 and £33,500 respectively, which includes fishing rights in the River Kennet. The highest priced house, with five bedrooms, includes the original mill wheel which forms a focal point of the entrance porch.

Work is commencing shortly on the "Granary" houses, to be sold in the £24-£28,000 price range, all with river frontage and fishing rights. Pearsons of Newbury, agents for the houses, will send details, while serious inquirers should write to the developers, M. V. Raphael, 48, Bell Street, Henley-on-Thames, for a delightful illustrated history of the mill.

What was probably a simple 19th century village dwelling, which has been added to over the years, and is now used as an elegant family home, is the stylishly restored Heathfield House, Nyetimber Lane, West Chiltington, Sussex, easily accessible to Pulborough main line station.

I saw it over 2½ years ago, when it was on offer at £43,000, on a falling market; the house was withdrawn, and it is now back again through Jordan and Cook, 30 High Street, Storrington, marked down to £39,500, a drop of £3,500.

An Adam-style marble fireplace with two wall-lit display alcoves is in the spacious entrance hall which doubles as a study, and in the main living-room, approached through an archway from the dining-room, is a carved Georgian fireplace that is the genuine article. There are four bedrooms, two bathrooms, and a country-style pine-clad kitchen with all the latest equipment.

Leading off the kitchen is a lobby, a general family-cum-television room, and the second bathroom, with a door to a courtyard and sun patio; this part of the house could make a self-contained granny flat. There is a double garage and pretty, secluded garden.

Cut price Malaga

REDUCTION is the name of the game in Malaga, too, where, after Barcelona and Madrid, there are the greatest number of foreign residents in Spain. Donaldsons, licensed British estate agents who have an office in Marbella, say that on their higher-priced properties, an offer of anything around 30 per cent. less than the quoted purchase price will probably be acceptable. Among the best sellers are the apartments overlooking the water at Puerto Jose Banus, where there is one at £36,475, only very near offers considered. Walk out onto the balcony in the hot sun of a winter's day, and watch the boats come in, and you will understand why. It's an attractive sight.

With the investment premium settled in between 60 and 70 per cent. over the past few weeks, good value are the premium-paid properties, such as a one bedroom sea view apartment at Benalmadena, fully furnished and equipped for four persons, £7,500, and a similar one almost on the beach, £8,000. At these prices one might feel inclined to take a chance on political uncertainties. Write to Donaldsons, 70 Jermyn Street, London SW1, for a list which uses the star system of one for an interesting item, two for very interesting, and three for best buys.

Collecting wisely

A price on the priceless

BY JANET MARSH

THE MOST absorbing coffee table annuals nowadays are the reviews of the year published in time for Christmas by Sotheby Parke-Bernet and Christies. Each year the two volumes grow more and more alike. For the first time the price of both *Christie's Review of the Year* and *Art At Auction: The Year at Sotheby Parke Bernet* is the same (£10) and they have practically the same number of pages. Only the format is slightly different, with Christie's book shorter and wider; though Sotheby's fall a point or two behind on reproduction.

Between them they chronicle and illustrate something like 2,000 of the outstanding treasures of art and vertu that have passed through the salerooms in the course of the year. A few of the items may have passed into public collections, but most have vanished again into private hands, often overseas; and it is these fugitive items of which the Reviews provide a particularly valuable record.

They catalogue an astonishing treasure: Modiglianis and Renoirs and Canalettos; Monet's Rouen Cathedral and Turner's "Dark Rigi"; gold and silver and jewels and clocks; furniture made for princes and a 3-litre Bentley that crashed in the 1926 Le Mans 24 Hours Grand Prix d'Endurance.

They are items that you might describe as priceless, if they had not had a price firmly planted on them at auction in the course of the year: £4,085 for a Tiffany standard lamp; £40,000 for one of the only two copies of the first printing of the Declaration of Independence still in private hands; £160,000 for Cézanne's "Sept Baigneurs." There have been times, too, in the unpredictable economic conditions of the past 18 months, when prices for the priceless came embarrassingly short of expectations.

In a sale of Impressionist and Modern paintings at Sotheby Parke Bernet in New York at the start of the 1974-5 season, writes Frank Herrmann in his introductory essay to the Sotheby volume, "a snow scene by Camille Pissaro, a Monet landscape, a Degas dancer, a Renoir lady playing cards, and a rather more demure but familiar type of Renoir lady in a straw hat, were all declared unwanted in the space of a few minutes at the beginning of the sale."

Amadeo Modigliani, Fillette sur une chaise. Sold in May for a then record £126,000.

Mr. Herrmann is the author of *The English as Collectors*, and reminds us that we in 1975-1976 are not so special: the U.K. has been involved in at least eight other major depressions since 1876. He finds some particularly striking parallels between our present situation and the great Depression which began almost exactly a century ago.

Then too the crisis was brought on as by conditions abroad, though while we're hit by dear oil, in 1876 the trouble was cheap grain from America. When hard times began the dispersal of great collections that had been created over many generations, our art treasures were bought by "those very men who had indirectly hastened our own economic decline: the American steel and railroad magnates, French bankers and Ruhr barons. The situation has an extraordinary parallel in the sudden importance of the Middle East and Persia as consumers of works of art, often originating from that area, after the inflow of greatly increased oil revenues began last year."

While there is as yet no serious sign that the present economic crisis is forcing any exceptional dispersals of such great private collections as still survive, Sir Antony Hornby, Chairman of the National Art-Collections Fund in an essay contributed to the Christie Volume expresses fears that this might result from a weal tax.

He argues: "In which case w predict a flood of sales whic may be beneficial to the sal rooms in the short run, b which will result in this count being denuded of a vast amou of treasures."

Mr. Herrmann shows that t Depressions of the 1870s a the 1920s produced serio slumps in art prices. The f who were able to benefit fro the situation were collecto with money and taste, who h unparalleled opportunities pick up treasures at barga prices.

Currently, at least, there is sign of that either. The 1974- season began reasonably w hit somewhat unnervi doldrums on either side Christmas; but then after gradual recovery through t spring "bounced back to n record-breaking form in Ju and July 1975." Since then th seems to have been no notal faltering of confidence, ev following the imposition of 10 per cent. buyers' premium both major auction rooms.

Mr. Herrmann mentions t revolutions in saleroom pr tice over the past year. B Christie's and Sotheby Par Bernet now include with th catalogues lists of estimates—practice first initiated Sotheby, Belgravia, and a cry from the days not so lo ago when salerooms tended be positively secretive ab estimates. Mr. Herrmann is about the way the Press u these estimates: if the pr realised goes higher, he sa the saleroom is derided for f ing to spot a "sleeper;" if falls below, clearly they h overvalued the piece: and if t price falls within the estim limits, it must signify a stagn market. To be fair the Press mostly brighter than this. As as prices are concerned, I s pect the publication of estima favours the seller: potent buyers, uncertain what t must pay to secure an item, inclined to adjust their think upwards to and beyond a h estimate.

The other change, whic regret with Frank Herrmann, that buyers' names are no lon included in the published l of auction prices. Art hist will not thank the auction ro for that economy.

The fall-off in Christmas mail spotlighted one of the Post Office's major problems: the danger of price rises being self-defeating. ***Arthur Smith*** *reviews its difficulties and looks at the task of the inquiry into all aspects of the Corporation's activities*

Seeking the stamp of approval

THE MAN most frequently cast in the role of Scrooge this Christmas has been Sir William Ryland, chairman of the Post Office, who resolutely turned down appeals for a special 5p rate for Christmas cards.

The strength of the campaign for a cut-price Christmas post (which the Post Office estimates would have cost £5m. for a gesture no other business in Britain was asked to make) reflects not only frustration at the massive losses piled up by Britain's largest employer but also a basic confusion as to whether the Corporation should be operated as a social service or as a profit-oriented business.

This, undoubtedly, will be one of the principal questions for the inquiry now being set up by the Government to review the workings of the Post Office.

The Committee, to be chaired by Mr. C. F. Carter, vice-chancellor of Lancaster University, has an almost open-ended brief, and the year-long investigation will be the most fundamental assessment of the Post Office since it was hived off from the Civil Service and established as a public corporation in 1969.

Though there have been some 14 inquiries into various aspects of the Post Office over the past six years, this will be the first to attempt a comprehensive analysis. The Government decision to initiate a review on this scale was an almost inevitable political response to the public outcry after what can only be described as a fairly disastrous 12 months for the Corporation.

In the spring, there were record increases in post and telecommunications charges, aimed at raising an extra £650m. in the hope that this would restore the undertaking almost back to profitability for the financial year to next March.

But by July, Sir William was announcing that losses were soaring towards the £300m. mark and that a further round of massive price increases was needed in the autumn. The reason the estimates had gone so dramatically awry was that, with Treasury guidance, the Post Office had allowed for 20 per cent. a year inflation and a 2 per cent. economic growth rate; in reality price increases jumped to the 30 per cent. a year mark and growth came to a halt.

No amount of explanation was enough to still public hostility. The Post Office Users' National Council, in particular, urged a fundamental review rather than just tinkering with the system.

A major issue for the Carter Committee will be the relationship between the Government and the Corporation.

Like other State industries, the Post Office has been used by successive governments as another arm of prices and incomes policy. This fact is acknowledged by the sums paid by the Government in compensation for price restraint: £128m. in 1973-74, £307m. last year and £70m. this year. But subsidies on that scale have a debilitating impact upon morale.

More important to management, the fact that taxpayers' money is being handed over as a subsidy is bound to intensify scrutiny by Whitehall and reduce the independence of the Corporation. Price restraint also has a disruptive effect upon demand and investment. On telecommunications, for example, while costs went up by £554.3m. in the four years from 1971-72 to 1974-75, charges were only pushed up enough to yield £239.2m.—a shortfall of £315.1m.

Underpricing boosted demand, which the Post Office could meet only by borrowing money to step up investment. External borrowings have risen from £192m. at the end of 1971-72 to well over £500m., with a consequent increase in the debt charge.

Then came the Government about-turn in late 1974, when the nationalised industries were called on to eliminate their deficits as quickly as possible. This meant prices being pushed up drastically. Predictably, consumer resistance at a time of recession has been so great that telephone traffic is expected to grow by only 1 per cent. this year compared with 7 per cent. in 1974-75 and 10 per cent. and more in earlier years.

What all this means is that the normal booms and troughs of the trade cycle have been exaggerated by Government interference making forward planning virtually impossible.

The key question now, of course, is how the legacy of these problems can best be eradicated. One suggestion, which has powerful support within the Corporation, is that the Post Office should be split into two companies; one dealing with postal and giro services and the other taking telecommunications and data processing. Senior executives are already conscious of the fact that the Corporation, with a staff of 434,000 and an annual turnover of more than £4.5bn., is already suffering from diseconomies of scale. Division would provide shorter lines of communication, and more efficient and flexible management systems, it is thought, particularly as the two principal activities of the Post Office are not only physically fundamentally different but also require different management skills.

Telecommunications is a fast growing technology-based sector with an £800m. a year investment programme; the number of telephones on the U.K. system has increased from 14m. to 20m. over the past five years and further expansion is assured. Posts, by contrast, is labour intensive—75p in every £1 spent goes on staff—and public service traditions are ingrained.

Within the Post Office it is believed that the telecommunications side, freed of Government interference and allowed small but regular price increases, could generate a far higher proportion of its own finance—the self-financing proportion dropped to 40 per cent. last year. Such a policy would lighten the burden of debt charges, make the service more independent of Government funds, and still keep rises in charges below the increase in the Retail Price Index.

On posts the social responsibilities of the service clearly pose problems in defining commercial objectives. One idea considered by POUNC is the possibility of identifying the socially desirable elements of the service. For these a basic State payment could be made. It is pointed out that the Government and Corporation are able to negotiate agency fees for services such as paying out old age pensions.

This suggestion, practical or not, is, however, likely to suffer from its similarity to the abortive system devised by Mrs. Barbara Castle for the support of unremunerative British Rail services. It would also meet with opposition from higher echelons of the Post Office, where it is felt that the postal service could still be run as a sound cost-effective operation and at a profit. The financial discipline that the requirement to make a profit, or at least break even, would bring is seen as important not only for management control but also for staff morale.

The main doubts for the future of the postal service centre on the revenue situation in the wake of two hefty price increases and the problems created by the general economic recession.

The sharp drop in Christmas mail has dented initial optimism. The Corporation expected traffic this year to be down by 12½ per cent. on 1974 as a whole, with a 15 per cent. fall over Christmas. The estimated Christmas drop of at least 19 per cent. proved something of a setback, and has raised the prospect of another price increase being sought.

This, in turn, could mean further problems. The Corporation would delay any application as long as possible, but there are fears that consumer resistance could now be so great that more rises could be self-defeating, with traffic dropping so much that revenue could fall. This means an intensification of the effort to cut costs.

Economies already initiated should save around £60m. in the current financial year. Overtime working has been cut drastically and labour is being used more efficiently—a reduction in staff on the posts side to match the falling level of mail should save £11.5m. After a three-year delay imposed by the postal unions the mechanisation of sorting offices is now going ahead, too, but the financial benefits from this will not be felt until the early 1980s. And even when the ten-year programme has been completed, only a net saving of about 6,000 jobs on posts and 2,700 on parcels can be expected. For, by the nature of the postal service, the scope for labour saving is limited: an additional 500 postmen have to be recruited each year to compensate for longer walks as old terraced housing gives way to semis and high-rise flats.

Among the major areas to which the Post Office is looking for future savings is one quite unconnected with the quality of its service — the £1.1bn. deficiency on its pension fund, incurred in the main by the way the Treasury funded the scheme before the PO became independent, it has to be cleared over a 20-year period. The charge this year out of revenue is £90m.—a sum whose saving would be the equivalent of a cut of over 1p in postal rates. With POUNC support, the Corporation is campaigning for this shortfall to be met by the Government.

At the same time, services are likely to be reduced too. Four cuts which the Post Office proposed at the time of its latest price increase were delayed by the Government, but discussions are continuing and a compromise solution is likely to be announced shortly. Designed to save £19.5m. a year, these include the closing of all Post Office counters on Saturday afternoons, the abolition of Sunday collections, the withdrawal of second deliveries in rural areas, and the ending of certain town and rural collections.

A more radical suggestion—to drop the second delivery completely and spread a single delivery over a longer period of the day—is likely to be pigeon-holed and left for consideration by the review committee. If eventually permitted, this would save at least £20m. to £25m. a year and possibly a lot more.

POUNC's view here is that services should not be pruned until the system has been reviewed as a whole. Behind the arguments of the Users' Council is a belief that in the longer term telecommunications services—telephones, telex, and facsimile—may take over much of the role of the present first class post.

In evidence to the Parliamentary select committee on nationalised industries, Lord Peddie, chairman of POUNC, recently said that clear-cut choices to be placed before the pub what postal services did community need, what coul afford, and, in the light of t what should be provided?

"There is a balance betwe on the one hand, cost con and development initiati expected under commen motivation, and, on the ot recognition of the Post O as performing an essen community service which wo have to be maintained un any circumstances. It unreasonable to leave striking of that balance to Post Office alone." With setting-up of the review, point, at least, has now b recognised.

HOME NEWS

Steelmakers may launch £80m. investment plan

BY ROY HODSON

THE PRIVATE steel sector is considering building one or possibly two new plants worth up to a total of £80m.

An early decision to build would mean a flow of orders for equipment suppliers next year and in 1977.

The private steelmakers need new sources of raw materials to supplement scrap steel.

A plant using natural gas for the direct reduction of imported iron ore—probably on the north-east coast—would give the independent companies an assured supply of material for steel-making. Such a plant would cost *between £30m. and £50m.*

Some in the industry believe that it would be wise to supplement such an investment with a parallel but smaller plant, probably also on the east coast.

It is expected that the bigger plant would produce about 800,000 tons of ferrous material a year and the smaller plant would have half that capacity. Plants of that type normally take about two years to build.

The British Independent Steel Producers Association is believed near a collective decision involving at least some member companies to collaborate in a consortium.

A strong hint of progress was given recently by Mr. G. A. Ashton, association president, when he said: "Our members are acutely aware that, as part of their investment programme, attention must be directed to the adequate provision of raw material. Those who make their own steel have already progressd a long way towards establishing sources of additional ferrous material for steel melting."

Rising prices

The changing nature of the steel scrap trade—traditionally the main material source for the *smaller steelmakers*—is one factor behind the new move.

British scrap used to be largely contained in the U.K. market by Government decree. Now there is free movement of scrap in the European Community and prices are rising because of the demands of smaller steel plants needing cold metal to feed their furnaces.

Another factor is the attitude of the British Gas Corporation, which is now understood to be willing to provide a plant, or plants, with North Sea natural gas as a main fuel source.

Steelmakers are considering east coast sites because it is felt that plants should be near gas supplies, adjacent to reasonably deep water for ore carriers and convenient to the private steel-making works.

The most likely site for a first direct reduction plant would be in the North-East, where it *would attract the Government* grants and aids for full regional development areas.

But a *Humberside plant should* not be ruled out. Although only an intermediate assisted area, Humberside is the natural port for the Sheffield steelmaking area, *where much of the private* steel sector is concentrated.

The M62 motorway and the canal *link—which takes wide* barges and could be further *improved—offer excellent communications.*

Engineers seek to enhance quality and productivity

BY KENNETH GOODING

HE COUNCIL of Engineering stitutions, which represents bout 300,000 professional engin-ers, has written to the Prime linister suggesting he should t up a working party with the uncil and both sides of indus-y to consider what action iould be taken to increase anufacturing productivity and hance the quality of engineer-g and engineering management Britain.

The letter again mentions the ave concern some professional gineers feel about the presure they are under because of e new labour relations legislaon to join "powerful unions which they would be a tiny inority."

Prof. John Coales, chairman of *e council, says that engineers* aditionally have been innovars and designers and "also been *valuable link between the* illed men on the shop floor d management and owners."

*It was essential for the engin*eers to be seen as a strong and united profession and it was to bring this about that the member institutions were determined to reorganise the council in a sensible manner.

"In this respect one of the most serious obstacles is the uncertainty over closed shop legislation and the actions of certain unions in trying to force chartered engineers to join them.

"It is vital that the quite unjustifiable action of certain powerful unions in blacking the legitimate work of chartered engineers in order to force the hand of management to dismiss them or make them join a particular union against their will will be stopped," *insists* Professor Coales.

Even if the profession was not *yet as united as he would wish* (a reference to the fact that the Institution of Electrical *Engineers is to quit the council* because it does not believe the suggested re-organisation goes *far enough*), "we all want to help in the revival of British industry and will co-operate with you and your ministers, provided it is made possible for us to do so."

Professor Coales tells Mr. Wilson that there are five specific areas in which the council could help: (1) In the recruitment of more engineering students and trainees of the right calibre; (2) In encouraging well-qualified engineers to play their full part in management, particuarly in those areas directly concerned with the shop floor; (3) In fostering better relations between employers and employees in manufacturing industries; (4) In setting up an organisation for teaching and training in manufacturing technology such as has been proposed by the Department of Industry; (5) In bringing about the symbiosis between the universities and polytechnics and industry which the Department of Education and Science believes essential if engineering courses are to be improved.

Royal praise for terror victims

HE courage and self-sacrifice ofople "who *refuse* to be terrised by kidnappers or jackers," were praised by the *ueen in her Christmas Day mes*ge.

They were "an inspiration to *hers." People were horrified by* utal and senseless violence, but e joint efforts of individuals *uld defeat the evils of our* ne. "Kindness, sympathy, resotion and courteous behaviour *e infectious.*"

The Queen broke with tradin for this year's broadcast. ne was the formal setting of Buckingham Palace sittingom. Instead, viewers saw her the palace grounds, speaking om a stone bridge by the lake. was filmed two weeks ago.

"Every year I have this ecial opportunity of wishing u a happy Christmas. I like to ink I am speaking to each ild who can hear me, each man, each man in every untry of the Commonwealth.

"Christmas is a festival which brings us together in small groups, a *family group if we are* lucky. To-day, we are not just nameless people in a crowd. We meet as friends who are glad to be together and who care about each other's happiness.

"Nowadays this is a precious experience. So much of the time we feel that our lives are dominated by great impersonal forces beyond our control; the scale of things and organisations seems to get bigger and more inhuman.

Horrified

"We are horrified by brutal and senseless violence, and above all, the whole fabric of our lives is threatened by inflation, the frightening sickness of the world to-day.

"Then Christmas comes and once again we are reminded that people matter and it is our relationship with one another that is most important.

"For most of us—I wish it could be for everyone—this is a holiday and *I think it is* worth reminding ourselves why. We are celebrating a birthday—the birthday *of a child born nearly 2,000* years ago, who grew up and lived for only about 30 years.

"That *one person*, by his example and by his revelation of the good which is in us all, has made an enormous difference to the lives of people who have come to understand his teaching.

"His simple message of love have been turning the world upside down ever since. He showed that what people are and what they do does matter and does make all the difference.

"We are all different, but each of us has his own best to offer. The responsibility for the way we live life, with all its challenges, sadness and joy, is ours alone. If we do this well, it will also be good for our neighbours.

"We may feel powerless alone but the joint efforts of individuals can defeat the evils of our times. Together they can create a stable, free and considerate society. So take heart from the Christmas message and be happy. God bless you all."

PPOINTMENTS

New managing director for Jardine Fleming

Mr. John Manser, at present puty managing director of RDINE FLEMING AND CO., has en appointed managing direcr. He remains a director of Rob*t Fleming Holdings.* Mr. Manser cceeds Mr. Peter Jamieson who s been managing director of rdine Fleming since its incorration in 1970. Mr. Jamieson, o is also a director of Robert eming Holdings, has returned to e U.K. at the weekend to take a new executive position in obert Fleming's international derwriting division.

★

Mr. D. W. N. Landale, who retired from the main Board of rdine Matheson in October 1975, as been appointed a director of ATHESON AND CO. from January 1.

★

Mr. D. A. Plun, *joint* managing rector of Alcan Aluminium U.K.), has been elected president f the ALUMINIUM FEDERAION for 1976. Mr. L. S. F. harles, deputy managing direcr of British Aluminium, beomes vice-president of the Federation.

★

Mr. Walter A. Horsey, deputy ianager, Lombard Street, Lonon, of the ROYAL BANK OF COTLAND, has been appointed uperintendent of branches, resient in London, from January 1. le will succeed Mr. Robert M. Ialden, who has been appointed reasurer of the bank.

★

Mr. Harry Andrews and Mr. rederick Jeffery have retired rom the JOHN MORGAN GROUP. Ir. Kenneth Yarrow has become ranaging director of John Mor*an (Construction)* and Mr. Leslie olay, managing director of ieneral Plant. Mr. Derek Bennett nd Mr. Michael Hale join the Board of John Morgan (Construction); Miss Joan Lundbech has *been made a director* of General Plant; and Mr. Dennis Lewis and Mr. Reginald Berry are now on the Board of John Morgan (Joinery). Mr. John McCarthy has been appointed group secretary.

★

Mr. David H. Probert will join the Board of W. CANNING AND CO. from January 1 as finance *director.* Previously Mr. Probert was group finance director of J. H. Vavasseur Group.

★

Mr. J. R. M. Keatley has been appointed a director of CROSBY HOUSE GROUP. Mr. S. M. Russy *retires from the* Board on January 1.

★

Mr. J. Ellington has been appointed to the main Board of CAMPBELL AND ISHERWOOD from January 1.

★

Mr. George Mann will become acting director of the GREATER LONDON COUNCIL'S South Bank Concert Halls next month. He will succeed Mr. John Denison, who on January 21 will reach the GLC's normal retiring age of 65. Mr. Denison will continue in an advisory capacity until April 21.

★

Mr. N. P. Theato has been appointed managing director of THAMES PAPER SUPPLIES and Mr. K. H. Whiting joins the Board as an additional director from January 1.

★

Mr. J. H. Garnham has been appointed *production* director and Mr. R. W. Vallance, marketing director, of T. GRIEVE AND CO. *from January 1.*

★

Mr. Derek E. Springett has become pre-contracts services director and Mr. Harrie J. Hills, regional production director, of WILTSHIER CONSTRUCTION.

Mr. G. H. Roberts, marketing director of PROPRIETARY PERFUMES, is to become chairman in place of Mr. E. A. Griffiths, who retires at the end of the year.

★

Mr. Bernard Fox has resigned from the Board of CORNELL DRESSES.

★

Mr. Eric Pountain, chief executive of the Housing division of TARMAC GROUP, has been appointed chairman of the group's Properties Division from January 1. Other Housing Division *appointments are:* Mr. R. B. King (director, John McLean and Sons) to assistant managing director, Housing Division; Mr. S. F. Pickstock (divisional administration manager) to director, John McLean and Sons; Mr. A. W. Roberts (divisional chief accountant) to director, John McLean and Sons, and Mr. R. Cliff (chief estates manager, *Tarmac Homes*) to divisional estates manager. Mr. P. Dennis (development manager) to *director*, Tarmac Homes Midlands; Mr. C. W. Jarvis (director/area manager) to managing director, *Tarmac Homes North East*; Mr. J. Maguire (deputy area manager) to director, Tarmac Homes North East; Mr. R. J. Turner (director/area manager) to managing director, Tarmac Homes South Yorkshire; Mr. D. Hughes (deputy area manager) to director, Tarmac Homes South Yorkshire, and Mr. T. Wilson (general manager) to managing director, McLean Homes Northern.

★

Mr. *Andrew Boyle* has been appointed a director of LONDON AND ABERDEEN INVESTMENT *TRUST.*

★

Mr. S. J. C. Dick and Mr. R. D. Trigg will be appointed assistant managers of BROWN SHIPLEY AND CO. from January 1.

Some bank services to cost more

By Michael Blanden

CUSTOMERS of Lloyds Bank will face higher charges on certain "ancillary" services early in the New Year after the *bank's successful application to* the Price Commission.

National Westminster Bank has also made similar applications, and it is expected that the other big banks will shortly ask the Commission to allow rises in their charges.

Lloyds was the first to put in a specific request for increases; and with no objections being raised by the Commission within the 28-day period allowed is expected to go ahead with higher charges.

These will affect only certain specific areas of the bank's activities, such as those offered by the bank's registrar's department, its trustee services and perhaps areas such as bond management.

Proposed increases by the banks, however, will not affect ordinary current account customers. Claims by the banks for more general increases in the charges have been resisted by *the Commission, which has not* accepted the banks' argument that the benefit they receive *from their interest-free current* accounts should be treated separately in assessing their profits position.

The applications made by Lloyds and NatWest, and those *which* Midland and Barclays are expected to make, concentrate on those areas of the banks' activities which they claim are losing money. The banks argue that in these areas they have ample room within the terms of the prices code to justify higher charges.

Computer dating question

By Roy Hodson

IF YOU use a computer to help you find a wife or husband, are you entitled to expect a life-time of wedded bliss?

That is the question to which Mr. John Methven, the former Imperial Chemical Industries executive who is the first Director General of Fair Trading, intends to devote some of his valuable time.

His Office of Fair Trading is starting an investigation to-day into the trading practices of the match-making trade, with particular reference to dissatisfaction among its customers.

The office *will be looking at* marriage bureaux, computer dating organisations and intro*duction agencies.*

Customers asked the Government to intervene to improve *the quality of marriages created* with professional help and guidance. The Office of Fair *Trading has had about 300 com*plaints in two years from people who have not, in their view, had *full satisfaction for their fees.*

Mis-matching is a common complaint from the sample. Dis*appointed* clients claim that even the powerful computers used by some match-making *organisations do not get it right.*

Secrecy 'adds to divers' dangers'

Financial Times Reporter

SECRECY OF diving companies about their research findings in the offshore oilfields is adding to the risks faced by divers in the North Sea, the British Association of Professional Divers claimed in London yesterday.

The main diving companies are refusing to disclose or pool their research findings about the effects of deep sea diving on the human body to the men directly involved, said Mr. Crichton-Todd, general secretary of the association.

The complaint will be raised at the organisation's annual meeting in Birmingham on Monday. The divers regard it as a matter *of urgency because regular* 1,000ft. to 1,800ft. dives will be made in the North Sea in the New Year.

The findings of the dives are regarded by the companies as commercial secrets and not for public disclosure, even on a confidential basis, to the divers.

Benn gives nuclear waste pledge

PROTESTS over importing nuclear waste for reprocessing had brought an assurance that Parliament will be consulted over future constracts, Mr. Eric Moonman, Labour MP for Basildon, said yesterday.

He had received a message from Mr. Anthony Wedgwood Benn, Energy Secretary, saying that new contracts would not be undertaken without Government agreement.

Mr. Benn said in his reply that some fuel was still being brought in under existing contracts, and another consignment was expected to arrive from Japan early next month.

Mr. Moonman said: "In spite of the assurance, I am still deeply alarmed by the fact that we are continuing to introduce radioactive waste and stockpiling it at Windscale. There is no agreed long-term plan for its disposal or destruction."

There would be uproar when new contracts came to be considered.

OVERSEAS NEWS

Iraqis in Lebanon peace bid

BEIRUT, Dec. 26.

TWO senior *officials from Iraq*, one of many countries to try their hand as peacemakers in Lebanon, conferred with Lebanese leaders to-day as the daily round of violence continued.

Iraqi Information Minister, Tareq Aziz, conferred with President Suleiman Framj'eh at his residence overlook the capital, and Mr. Ali Ghannam, a member of Iraq's ruling Ba'ath party, met politicians of various parties.

The Iraqis are following a well-worn path taken by foreign mediators since Lebanon's civil war started, eight months and *more than 5,000 lives ago.* Details of the Iraqis' mission have not been disclosed, but *observers said that Baghdad was* probably trying to match the recent mediation efforts of its rival Syria.

Beirut Radio reported fighting along many of the street front lines where Left and Right Wing gunmen are battling. Snipers were active in the desolate city centre, and at dawn a mortar *shell hit the front steps of the* police station in Martyr's Square. Five more shells landed *in densely populated areas of* western Beirut, killing five people and wounding 20.

Reuter

Peres calls for new approach to West Bank

TEL AVIV, Dec. 26.

DEFENCE MINISTER Shimon Peres has called for a more positive approach by the Government on the Palestinian question and said that Israel should not flatly reject talks with Palestinian leaders.

At the same time Tourist Minister Moshe Kol called for round-table talks between Israel, Jordan and Palestinian representatives on the future of the occupied West Bank.

But both Ministers, in interviews, rejected meetings with Mr. Yasser Arafat's Palestine Liberation Organisation (PLO), saying that it was dedicated to Israel's destruction.

Mr. Peres told the evening paper Maariv: "We should present our position regarding the Palestinians more carefully and more positively and express our readiness to talk to the Palestinians. Our 'No' to the PLO sounds as though *it is* 'No' to all Palestinians—and there is no need for that."

The *Defence Minister's* comments differed from Prime Minister Yitzham Rabin's line —that *negotiations on the* future of the occupied West Bank can only be held with *King Hussein's Government in* Jordan, which relinquished responsibility for the area to *the PLO at the 1973 Rabat* summit.

The Prime Minister's view *has also been challenged* recently by Foreign Minister Yigal Allon, who says that Jordan has "*no monopoly*" on the Palestinian question. He has been involved in clashes within the Cabinet on the issue.

Riot deaths reported in Mayotte

MOROMI, Comoro Islands, Dec. 26.

SEVERAL PEOPLE are thought to have died over the last few days in anti-French riots in Mayotte, one of an improverished group of Indian Ocean islands, according to a Government statement here. Three of the islands in the group broke away from French rule in July, but Mayotte, the fourth, said that it wanted to remain French.

The Comoro Islands' ruling body, the National Executive Council, said in yesterday's statement that riots had been going on for several days and a number of people *were thought* to have been killed. The Council protested strongly against what *it said* was the occupation of one of its islands by "French imperialist forces."

Earlier to-day the French Government denied a report by Radio Moromi that riots had been taking place on Mayotte.

Reuter

'Corruption' claims follow NY sacking

By Jay Palmer

NEW YORK, Dec. 26.

NEW YORK State Governor Hugh Carey's sudden dismissal of Mr. Maurice Nadjari as special state anti-corruption prosecutor on Christmas Eve has triggered off a major political row with allegations of possible scandals involving elected state and city officials.

In an interview in this morning's New York Times Mr. Nadjari, who earned the accolade "Superprosecutor" during his three year battle to clean up the state's soiled criminal justice system, publicly questioned the Governor's motives for sacking him.

Confirming that he was less than a week into a "bombshell investigation" of "high-level corruption among New York City and state Democratic leaders," Mr. Nadjari suggested that it was Governor Carey's knowledge of this study which prompted his dismissal. "Have we," Mr. Nadjari asked, "a Watergate of our own in New York?"

Governor Carey to-day refused to comment on Mr. Nadjari's allegations.

Unita 'launches drive to capture railway town'

LUSAKA, Dec. 26.

UNITA *troops in Angola have* launched a drive to capture an important railhead town on the *Zambian border, a spokesman* said. Other sources said South African mercenaries were also *involved in the push to capture* the town of Teixeira de Sousa on the British-owned Benguela railway.

George Sangumba, in charge of foreign affairs for Unita said that a rapid push through the sparsely populated eastern areas of Angola was begun several days ago to capture the border town.

Teixeira is one of the last strongholds on the railway held by Soviet-backed troops of the MPLA.

Unita's leader, Mr. Jonas *Savimbi, said earlier this week* that forces had suffered heavy casualties, *mainly from* recently introduced Russian 122 mm. rockets, in fighting which has swirled back and forth in the east.

Officials of Unita and its ally, the FNLA, said in Lusaka that African states sympathetic to their cause had approached Washington and urged the U.S. to use maximum diplomatic *pressure on Russia to quit* Angola.

UPI

Reuter adds: Uganda Radio says that Unita has proposed an immediate ceasefire under the supervision of the Organisation of African Unity (OAU). "Under OAU supervision, free elections should be held, leading to a government of national unity." Unita said *in a message* to the Ugandan president, Idi Amin, the OAU's current chairman.

Moscow: The Soviet news agency Tass charged on December 25 that "large new units of *regular South African troops*" had been sent into Angola.

Washington: The French and United States intelligence agencies are working together to supply money and arms to the FNLA, the Washington Post reported. "The SDECE (French intelligence agency) with President Giscard's evident approval, is now co-operating with the CIA and Zaire's President Mobutu by channelling arms and money to the *FNLA, according to French* African and diplomatic sources," the newspaper said.

David White writes from Rio de Janeiro: The withdrawal of Brazil's Chief Representative in Luanda has increased speculation that Brazil will change its conciliatory stance towards the NPLA in Angola. The Brazilian Charge d'Affaires, Sr. Ovidio de Andrade Mello, is expected back in Brasilia on Monday for what *the Foreign Ministry* called "urgent medical care." The Ministry denied any political change, *but the move follows* growing pressure from within the Government and the Army *for a freeze in Angolan relations.*

This pressure is based on the increasing involvement of Soviet arms—and what is seen as a potential threat to the South Atlantic sea routes—and the open participation of Cuban soldiers in the MPLA's struggle

Occidental to boost shale oil investment

BY RAY DAFTER, ENERGY CORRESPONDENT

OCCIDENTAL Petroleum, which has spent over $30m. on pioneering shale oil development at Logan Wash, Colorado, is prepared to invest much more following "an important milestone" in its oil-from-shale programme.

A retort that will produce up to 500 barrels a day of shale oil over a five month period has been ignited at the Logan Wash site. Mr. Donald Baeder, executive vice-president of Occidental's research and development operations, commented that if everything went according to schedule, the company should be producing oil in the next few weeks.

While 500 barrels a day was only a small proportion of what a full-scale mine would eventually produce, it was a milestone in the logical and sequential advancement of the company's programme.

"Providing that our preliminary economics continue to be substantiated we are prepared to spend more to prove and improve our technology," Mr. Baeder said. Recent Congressional action denying Government guaranteed loans to pioneers of synthetic fuels had in no way deterred the company from going forward, he added.

He went on that once the process had been proved, Occidental expected to attract sufficient support to develop a 5,000 barrels a day demonstration mine and retort.

W. Germans name OPEC kidnapper

KARLSRUHE, W. Germany, Dec. 26.

THE WEST German Federal Prosecutor's office here said to-day that the wounded member of the *guerilla group which* seized oil ministers in Vienna on Sunday was a West German *called Hans-Joachim Klein. It* said that until recently Klein had worked in a lawyer's office in *Frankfurt.*

He was wounded in the guerilla assault on the Vienna headquarters of the Organisation of Petroleum Exporting Countries (OPEC) but was flown to Algiers with the other guerillas and their hostages. The federal criminal police in Wiesbaden said that it had begun a nationwide hunt this morning for accomplices of two alleged West German members of the Vienna guerilla group.

In Cairo, Qatar Petroleum Minister Dr. Ali Jeddah said that the hostages in the OPEC kidnap drama had been *classified* by their captors into four groups—friends, enemies, neutrals and Europeans. *In an interview* published to-day by the *Al-Ahram* newspaper, Dr. Jeddah said that the enemies comprised the delegates of Iran, the United Arab Emirates, Qatar and Saudi *Arabia.*

In Amman, Sheikh Yamani said that the kidnappers had decided to assassinate him and the Iranian Interior Minister. The kidnappers spared their lives, *thanks to the intervention* and wisdom of our Algerian brethren, Sheikh Yamani said.

Reuter

Legal row erupts over French army subversion

BY RUPERT CORNWELL

PARIS, Dec. 26.

A BITTER legal row has erupted over the French government's handling of the army subversion dispute, amid a growing feeling that the authorities have *over-reacted to a relatively* limited and minor problem.

To-day the defence of the 47 soldiers and civilians facing trial before the State Security Court on the grounds of "demoralising the army" issued a joint statement proclaiming that none of the evidence so far produced justifies such a charge.

The 22 lawyers attacked what they termed a "politically inspired witch hunt" and warned of potential dangers to democratic freedoms. They also bitterly attacked the court itself *as a tool permitting the Government* to act in defiance of the real interest of the country.

Most embarrassing however is their intention to drop the secrecy supposed to cover cases *under investigation in France*—on the grounds that the authorities themselves have already abused this precept.

When proceedings were first opened a month ago the two principal charges against the soldiers' unions were that they were undermining military morale and that they had links with foreign elements, particularly with German and Portuguese agitators. The defence *to-day insisted* that any alleged offences have been systematically exaggerated and taken out *of context.*

Fighting in Argentina

BUENOS AIRES, Dec. 26.

HEAVY shooting broke out on Christmas Day when Left-wing guerillas apparently tried to recover the bodies of more than 70 comrades killed in battles with the Argentine military, a newspaper reported to-day.

The report by the evening newspaper Ultima Hora, which police declined to confirm or deny, said that the shooting occurred at the Avellaneda Cemetery where the corpses of guerillas were piled after the Christmas Eve fighting.

Another report, by the independent news agency Noticias Argentinas, speculated that as many as 156 guerillas may have died in the December 24 fighting, which has been hailed as the Army's biggest victory in more than five years of guerilla activity.

The Army has issued no further information on the casualties since a communique during the fighting put guerilla dead at more than 50, but military sources said the next day the death toll was 102—85 guerillas, 10 bystanders, four soldiers, two policemen and a Navy Marine.

Reuter

Robert Lindley adds: High tension persisted over Christmas between the armed forces chiefs and President Peron. The officer corps, united for the time being behind Army Commander Jorge Videla, demands that Sra Peron step down shortly.

General Videla and the other two service commanders do not want to take over the Government but instead want the Peronists themselves to get rid of the President.

Soviet grain harvest worse than predicted

By Our Own Correspondent

MOSCOW, Dec. 26.

THE *Soviet Union revealed* yesterday that its disastrous 1975 harvest was even worse than the *most pessimistic calculations by* Western agricultural experts. The final figure appears to have been 132.5m. tons.

But, as usual, officials could not bring themselves to lay out the cold facts. What the Government newspaper Izvestia said in a leading article was that the country's annual average grain yield for the years 1971 to 1975 was 180m. metric tons. That works out to a total of 900m. tons for the five-year planning period.

Figures already published here show the sum of the *harvests from 1971 to 1974 was* 767.5m. tons, so by a simple subtraction it is possible to *arrive at the 132.5m.-ton total for* this year.

Earlier this month the chairman of the state committee for planning, Mr. Nikolai P. Baibakov, released a series of figures to a meeting of the supreme Soviet, the Soviet Union's parliament, from which western experts were able to come up with a harvest *of 137m.* tons.

The disastrous harvest — the *worst here for a decade* — has forced the Russians to import more than 20m. tons of grain from the west to supplement their own yield. But Izvestia said Soviet citizens would not go short of bread because they will eat more meat.

Chileans release Dr. Cassidy

SANTIAGO, Dec. 26.

CHILE'S *military Government* to-day ordered Dr. Sheila Cassidy, the British doctor arrested two months ago for allegedly helping a fugitive guerilla leader, to leave the country. A brief Interior Ministry communique ordered Dr. Cassidy to leave Chile on or after December 29.

It said that all measures taken against Dr. Cassidy under regulations of the State of Siege had been rescinded, and procedures started against her under military law had been dropped. There was no formal order of expulsion, but Dr. Cassidy was ordered to leave the country on Monday or after.

Dr. Cassidy was held incommunicado for several days before repeated requests from British Ambassador Reginald Secombe obtained consular access to her. British officials later reported she was in good health and her morale was satisfactory.

Reuter

IN BRIEF

Indonesia asked to send troops to Timor

Pro-Indonesian forces in Portuguese Timor have asked Indonesia for troops to restore order in the disputed territory, the semi-official Antara news agency said in Jakarta yesterday.

The appeal for help against "terrorist remnants left by the Portuguese Government" appeared to contradict earlier Indonesian reports that the situation in the territory was calm and that fighting had stopped.

The pro-Indonesian forces, who with Indonesian backing captured the territory's small capital of *Dili on December 8* from the Left-wing Fretilin Independence Movement, last week declared *they had established their own* provisional Government for East Timor.

British Columbia bid to revive mining

The new Bennett Government of British Columbia has moved immediately to try to revive mining in the province, writes Robert Gibbens from Montreal. The Government plans to abolish all royalties on copper and other base metals being produced in British Columbia.

Air Inter buys three Airbus A300s

Air Inter, the French internal airline, has signed a contract for three Airbus A300 aircraft. The *A300s will be of the B2 shorter* range version and will seat 280 passengers in an all economy layout. Two will be delivered at the end of 1976 and the third just over a year later. They will be operated initially on the airline's high density Paris-Marseilles and Paris-Lyon routes.

Late Labor gain

Australia's Labor Party, ousted from office in the December 13 general elections, yesterday won two more Parliamentary seats in late results, bringing its total to 35, compared with 91 for the Liberal-National Country Party coalition.

Kosygin in Turkey

Soviet Prime Minister Alexei Kosygin and his Turkish counterpart Suleyman Demirel met for more than two hours yesterday evening in the first session of their official talks. No statement was issued afterwards, but official sources said that international problems, including Cyprus and the Middle East, and improving relations between the Soviet Union and Turkey were discussed. Mr. Kosygin started a four-day visit to Turkey yesterday.

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SATURDAY, DECEMBER 27, 1975

Unrewarding upturn

THE LATEST review of the economic outlook by the Organisation for Economic Co-operation and Development, published just before Christmas, made particularly gloomy reading for U.K. readers. Real national income in this country was forecast to rise by some 1½ per cent. between the second halves of 1975 and 1976, mainly because of a slower rate of stock reduction, and it was tentatively forecast that the balance of payments deficit on current account might drop from some $4bn. to $3bn. over the same period. But unemployment was expected to continue rising, though more slowly, to reach 1½m. by the end of next year, and the real disposable income of consumers to fall over the year by some 2½ per cent. This is a slightly more dismal forecast than even that of the National Institute, which admitted that its latest appraisal of prospects for the domestic economy was the most depressing since its Review was first launched in 1959.

Two points must, however, be kept in mind when considering the OECD and other forecasts. The first is that the behaviour of the UK economy next year, as in the case of other countries with large payments deficits, will be particularly dependent on the growth of world trade. The second is that, after their recent experience of both inflation and unemployment on a larger scale than has been experienced since the last war, the forecasters are all tending to emphasise the uncertainty of their estimates.

Confidence

It is common ground that, whereas economic recovery has already got under way in the United States and Japan and is beginning to make itself felt in France and Germany, the level of U.K. output is only now beginning to even out—which *implies a continued rise in unemployment* for some time to come. The OECD estimates that GNP might grow by 5 per cent. between the second halves of 1975 and 1976 in the case of the U.S. and Japan, but by only 3-3½ per cent. in France and Germany and by 2 per cent. or less in the rest of Europe. The relative slowness of this upturn compared with those of the recent past is compounded by the fact that the OECD does not expect it to gather much strength during the course of the year, with unemployment continuing to rise in most European countries, and calls for some special explanation.

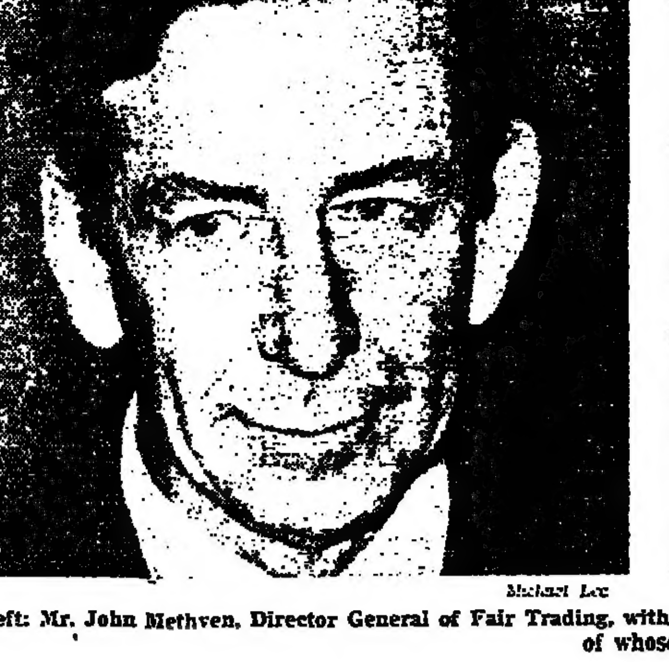
The explanation given by the OECD is that the business upturn has so far been almost entirely reliant on two special factors—deficit spending by governments to keep the rise in unemployment within bounds and a slackening or reversal of the massive international liquidation of stocks. But deficit spending by governments, it believes, will have to be cut in order to prevent inflation from getting completely out of hand.

Profitability

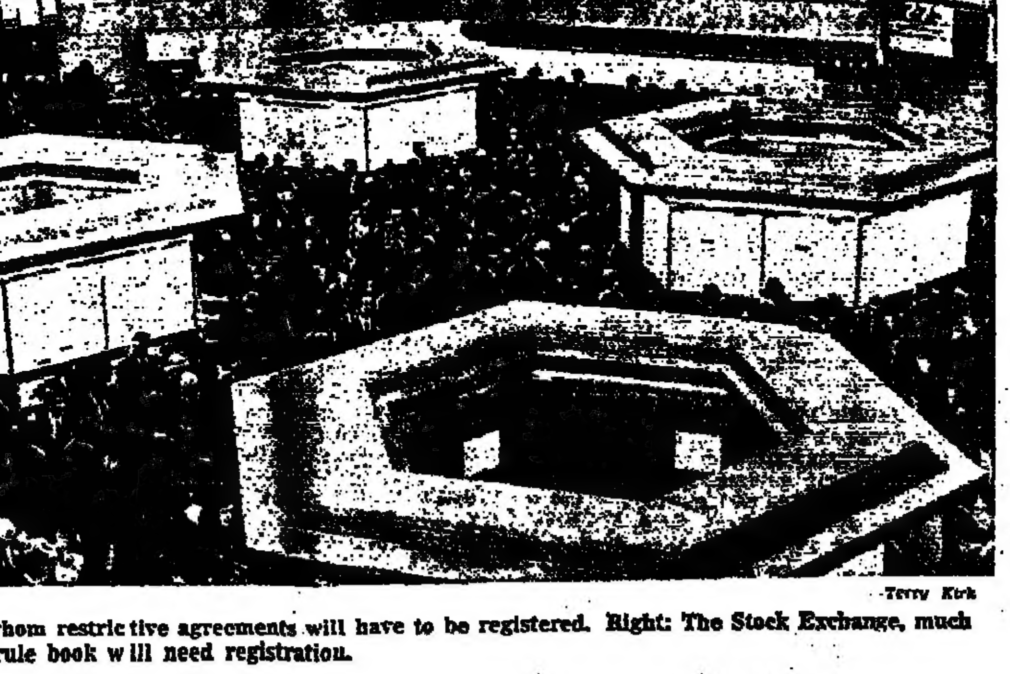
But most governments are now sufficiently aware of the difficulties implicit in a combination of high unemployment and inflation and of the risk of rekindling inflation through too rapid a stimulation of demand that the assumption of unchanged official policy is, as the OECD analysis implicity admits, quite unrealistic. The greater difficulty is in forecasting how rapidly industry will wish to rebuild stocks and how fast the consumer will be willing to lower the present high level of savings, when both the danger of inflation and the risk of unemployment seem to be holding back his inclination to spend.

Since the relatively high level of the savings ratio is largely the result of a disinclination to incur fresh debt, the OECD suggests that governments should try varying consumer credit terms—a hint on which the U.K. Government was remarkably quick to act. But the situation in this country is such that the main increase in demand must come from higher exports and from larger industrial investment in stocks and fixed capital equipment. The Bank of England, in its last Bulletin, was optimistic about the scope for increasing exports as world economic recovery becomes established. But it also urged that steps were needed to improve the profitability and further strengthen the liquidity of industry—a point which the National Institute, recognising the key part to be played next year by the state of business confidence, had already made with some force. As it prepares to curb the growth of public expenditure, therefore, the Government should also be ready to allow industry the higher profits on which expansion depends.

Most services are about to be made subject to the legislation on restrictive practices. What effect will this have? A report by **Colin Jones**



Michael Lee



Terry Kirk

Left: Mr. John Methven, Director General of Fair Trading, with whom restrictive agreements will have to be registered. Right: The Stock Exchange, much of whose rule book will need registration.

The ins and outs of services

NO ONE knows just how many agreements and practices relating to the supply of commercial and financial services will be affected now that the process of extending the restrictive practices legislation to these sectors of the economy has formally begun. The draft order laid before Parliament earlier this month is expected to come into operation on March 22. The parties to restrictive agreements will then have until June 21 to decide whether to abandon their arrangements or to register them with the Director General of Fair Trading who—unless the agreements are abandoned at a later stage or are considered to be insignificant—will eventually refer them for adjudication by the Restrictive Practices Court.

Nearly 1,200 agreements were registered when price rings, cartels and certain other restrictive agreements relating to the supply of goods were first called up almost 20 years ago, another 1,000 were put on the register in the months that followed, and an unknown number was abandoned before registration was required. One suspects that the number this time will be nothing like so many. The trend towards cartelisation of manufacturing industry in the interwar years was, in part, a response to the pressures of import competition, a factor to which service activities tend to be immune. Entry into many types of service business is not all that difficult and certainly much less expensive than starting up a manufacturing operation. Above all, the climate within which both industry and commerce *operate has become* much more generally competitive during the past two decades.

A veritable thicket

For instance, if the restrictive practices legislation had been extended to services five years ago, banking would have provided a veritable thicket of examples. To-day, probably not one of these arrangements remains—apart, that is, from one or two relating to overseas business, which are outside the Court's jurisdiction, and certain arrangements which the Treasury requires as part of its control over monetary policy, which were specifically excluded from the scope of this month's calling-up order.

Another factor is inflation. This has been taking a noticeable toll among trade association price recommendations. The Restrictive Practices Acts lay down that, where a trade association makes a specific recommendation to its members as to the charge they should make for particular kinds of work, the recommendation shall be treated as if it were an agreement between the members irrespective of whether the recommendation is intended to be mandatory or merely advisory. However, in periods when costs are rising rapidly it becomes much harder to issue meaningful guidance on prices and several associations have dropped the practice or are considering doing so, albeit in some instances with half an eye on the fact that it could soon be illegal to go on making recommendations.

The National Association of Funeral Directors did so last May, for instance. So have the furniture removers, mainly because few of the British Association of Removers' members followed its recommendations anyway. Instead, the Association now gives its members regular guidance on how costs have moved, a practice which does not have to be registered under the present calling-up order (though it *could be eventually when* "information agreements" relating to the supply of services are also called up).

One also has to bear in mind the fact that several major services where restrictive practices are known to be widespread are outside the scope of this month's calling-up order. Certain professions—mainly those involving a direct personal or fiduciary relationship with clients—were specifically excluded by the Fair Trading Act, 1973, when the rest of the service sector was brought within the scope of the restrictive practices legislation.

The professions covered by this exemption are law, medicine, accounting, architecture, surveying, engineering, and teaching. Their activities do not, however, escape all scrutiny under the fair trading laws. Indeed, the Monopolies Commission now has in hand no less than ten separate investigations into one or other aspect of their activities, including such matters as the restrictions about advertising by barristers, solicitors, accountants and veterinary surgeons, the scale fees used by architects and surveyors, and the two-counsel rule at the Bar.

Specifically excluded

Then there are the services or agreements which were specifically excluded from the scope of this month's order. In the main they were either services which are already subjected to regulation or supervision by an independent body (civil aviation and road passenger transport) or by a Whitehall department (building societies, insurance, and unit trusts) or are agreements to which the Treasury or the Bank of England, as part of the system of financial control is a party. In addition, international shipping and banking in Northern Ireland were excluded because of juridictional difficulties (in the latter case because many banks in Northern Ireland are branches of Irish banks).

Here too though, the exemption is not total. The building societies are exempt only to the extent of their fund raising and loans making activities and only insofar as restrictive practices in these operations arise out of agreements made directly with the Treasury or the Secretary of State for the Environment. Similarly, firms of surveyors are exempted only in their work as professional surveyors. The sale, letting, and management of property and certain kinds of work in planning appeals and other types of litigation would probably not be covered by the exemption—which means that surveyors will now have the Monopolies Commission to worry about on one flank of their practice and the Restrictive Practices Court to worry about on the other. Furthermore, any of these exemptions could be removed by another calling-up order at a later stage. The exemption can by no means be counted on as permanent.

Even so, these exemptions leave a wide variety of practices in commercial, financial and non-exempt professional services vulnerable to the restrictive practices laws. Those that will certainly be affected range from the Stock Exchange to road hauliers, from the travel trade to industrial designers, and from newspaper publishers to translation agencies and barbers.

Moreover, the restrictions which make an agreement (or a trade association recommendation) registrable need not concern only the charge to be made or quoted for supplying, offering to supply, or obtaining a service. They can relate to such matters as the terms or conditions, the extent or scale, form or manner, the persons for or from whom, or the places or areas in or from which the services are to be made available or supplied or are to be obtained.

Thus, if a trade or a group of firms agree collectively to use a standard form of contract, they will have to register their agreement. Of course, certain standard terms and conditions may be perfectly fair as between buyer and seller. If the Director-General of Fair Trading regards all the terms as acceptable then the agreement will probably not be referred to the Court, though its details will remain available for public inspection on the register maintained by the Office of Fair Trading.

Exclusion clauses are another matter, however. In the case of contracts relating to the supply of goods, clauses excluding the buyer's statutory rights are now void and it may soon become a criminal offence to purport to exclude these rights. Further changes in the law generally have recently been proposed by the Law Commission. But, for the present, exclusion clauses in contracts relating to the supply of services remain legal and enforceable; and it is no secret that the Office of Fair Trading regards them as a major target and will seek to have them struck out of a trade's standard form of contract.

Travel agents

Even if a trade does not use a standard contract it can still run foul of the order. The Association of British Travel Agents has a rule which forbids a tour-operating member from selling his product through any non-member and requires retail members to sell only the products of other members. This is in order to operate the ABTA compensation scheme. Nevertheless, it is extremely difficult to run a successful travel agency without ABTA membership and the rule—if retained—will be registrable and so will the travel trade's ban on price cutting.

Likewise, much of the Stock Exchange's present rule book will have to be registered. This is not merely because of the Stock Exchange's (recently revised) commission arrangements. The rule which requires jobbers to deal only through brokers and prevents investors from dealing direct with jobbers is certainly a registrable restriction and so, probably, is the rule forbidding Stock Exchange members from advertising for business.

Registration is not in itself fatal to an agreement. It remains legally operable until the Court has ruled against it, though enforcement may become difficult once the agreement has been referred to the Court. Failure to register a live agreement is another matter however and, since 1973, it has been possible for anyone who suffers a loss as the result of the restrictions in an unregistered agreement to sue the participants for breach of statutory duty. Sooner or later, therefore, all those affected by this month's order will have to decide whether it is worth defending their arrangements before the Court.

The ground-rules for Court hearings are basically the same as in 1956. The case will be lost unless the defendants can safely navigate a path through one of seven "gateways" and can, in addition, convince the Court that the benefits claimed under one or other gateway more than balance the detriment which is assumed in the "tailpiece." The onus of proof in these hearings is on the defendants; relatively few cases have ever been successful, and the costs of a full-scale Court hearing can be very formidable. Indeed only two full-scale cases have been contested under the restrictive practices legislation in the last ten years. Furthermore, it is the Director-General of Fair Trading that has the task of marshalling defended agreements before the Court. He therefore has some say in the choice of the first batch of cases and, judging from past form, he is unlikely to choose the most difficult from his point of view.

Another two years

The odds, therefore, can hardly be said to be encouraging. Nevertheless, some trades think they have a strong case. They probably have at least another two years before making a final decision since the legal preliminaries which precede the first Court hearing could take up to 18 months from the closing date for registration next June. Above all, perhaps, though the Restrictive Practices Court has now had considerable experience of this new branch of commercial law, the service sector will still be new ground for the Court to consider. The precedents it has built up in hearings on goods agreements may not necessarily be applicable to service agreements.

Letters to the Editor

Communication

From Mr. C. MacMahon

Sir,—Few would disagree with Mr. H. Philpot's comments (December 17) that "the unhealthy obsession with class breeds bitterness, envy, and disunity etc."

I suspect too that few would disagree that the emphasis on "class" has been and remains a convenient platform for those who wish to exploit the baser instincts of the human race. That this particular platform should still have appeal is not in my view due to the quality of the argument but to the ineffective and at times non-existent communications from those who take the opposite view. The overwhelming need is that such communications should be addressed *to our young people as well as* to the adult population.

As a governor of an "aided school" (11-18) which seeks to maintain high academic and social standards, Christian principles and to emphasise the virtue of hard work and the importance of the individual, I have often been called upon in discussion with my fellow governors (non-political) to defend the apparent passive interest of British industry in educational matters (particularly up to the age of 18). I have found this increasingly difficult but it is clear that if we wish to communicate we need channels and it would be regrettable if by default we allowed the educational system to be 100 per cent. in the hands of the politicians at national and local levels.

I would suggest that time is not on our side if despite the activities of those who see the long term dangers, we have to accept Disraeli's dictum "There is no education like adversity" then it will indeed be regrettable and tragic for our country and our families.

C. A. MacMahon,
137 Hull Road,
Anlaby, Hull,
North Humberside.

Unions and pensions

From Mr. W. A. Stevens.

Sir,—Mr. H. Lucas, head of pension services in the General Municipal Workers Union, criticised employers' lack of communication in making their pension schemes fully understood by their employees (December 19). As another pension consultant with many years of experience in the inauguration of pension schemes with a variety of firms, such experience included individually explaining to each employee his or her benefits under the scheme. The greatest and most frequent opposition to joining a scheme came not from the ordinary employee but from union officials, such opposition being made, often without even bothering to investigate the benefits to their members. I have even been asked by such officials on a number of occasions, "What is the employer getting out of this?" even though it was obvious from *a comparison of the contributions* to the benefits provided that the employer's costs must obviously be much greater than that of the employee.

Mr. Lucas should be directing criticism to himself and union leaders generally who, for years, have failed to see the greater advantage of benefits from pension schemes as opposed to increases in wages, the former being tax free and the latter taxable, quite apart from the benefits to a member's family in the event of a member's demise.

W. A. Stevens.
"Fairfields,"
New Lane Hill,
Tilehurst,
Reading, Berks.

Mr. Reagan's aides

From Mr. P. D. Hannaford

Sir,—While we enjoyed reading Mr. Maurice Irvine's article, "A Campaign for the True-Blue" (November 20) both my partner, Mr. Michael Deaver, and I were surprised to learn that our firm was created "as a front for his (Ronald Reagan's) non-candidacy." Although our firm opened its doors the day following the conclusion of Mr. Reagan's second term as Governor, it was created as a general public relations firm, initially with six clients; Mr. Reagan was among them. Mr. Deaver had served as a senior assistant to Mr. Reagan throughout both of his terms as Governor; I for the final year of Mr. Reagan's second term. Our new firm succeeded a firm owned by me and from which I was on leave of absence while serving on Mr. Reagan's staff.

Peter D. Hannaford.
Deaver and Hannaford, Inc.
10960 Wilshire Boulevard,
Suite 812, Los Angeles,
90024.

P.O. advertising

From Mr. A. Casey

Sir,—Mr. Young of the Post Office (December 19) may well be able to justify the cost-effectiveness of advertising the overseas telephone service, but it still does not alter the fact that telephone charges have been increased by a staggering 66⅔ per cent. effective October last.

Mr. Young has entirely missed my point regarding the effect of these increases on the general public. It now costs between 36p and 72p for a three minute call from a call-box (we don't all have our own telephones) during the day for a distance exceeding 90 miles. In real terms, pre-decimal, this is scandalous for a non-labour intensive service.

A. J. Casey,
53, Cavendish Crescent,
Elstree,
Hertfordshire.

Electricity manning

From Mr. D. Bluett

Sir,—Can it be that James Ensor for his article "Efficiency in Power" has been "conned" by the public relations people retained by the Central Electricity Generating Board, or Mr. A. Hawkins? Surely we must not be unmindful of the enquiry which is taking place under the chairmanship of Lord Plowden into the electricity supply industry. Will this not highlight the gross overmanning which exists in the industry compared to leading utilities in North America? This is compounded by the three-tier system of Electricity Council, Generating Board and area Boards leading to triplication, or worse, in many administrative and clerical posts.

Why has the CEGB been so long in closing Little Warwick? How many more similar stations are still awaiting closure? Why are they not being closed promptly to help alleviate our taxes and electricity charges? The real question is, how many employees in the whole nationalised industry are required to produce 1m. kilowatt hours and how does that compare with other electric utilities?

As tax and ratepayers are becoming increasingly aware, overmanning at all levels in the civil service, local authorities and nationalised industries—not forgetting British Leyland—is one of the reasons our taxes, rates, electricity, gas, water, coal and railway charges are so high. It would also partly explain why employees of the Government and its statutory bodies are so complacent about the burdens they place upon the more productive members of the community. This is accentuated in the employment terms of such bodies which permit so much "feather bedding" when large scale redundancies are needed to rationalise their organisations and reduce their expenditures.

D. G. Bluett.
66, Manor Way,
Beckenham, Kent.

Standing orders

From Mr. J. Moore

Sir,—Mr. H. J. Morgan (December 18) raises again, what so many bank customers know already, the growing inefficiency of the local bank to handle standing orders. It is now so widespread that one suspects that it is part of a deliberate campaign to persuade us all to go over to the "direct debit" system, albeit in desperation not hope. I hope that this is not the case for I and many others will, I am sure, resist this pernicious system to the end.

J. P. Moore.
10a, Oatlands Chase,
Weybridge, Surrey.

Railways

From the Press Secretary,
Macclesfield Labour Party.

Sir,—In his article (December 15) viewing the railways as both an economic counter and a casualty of the increasing fares/decreasing services spiral, Colin Jones failed to feed into his equations the feelings of working people whose lives would be affected by his cost effective perspective of transport policy. Until Mr. Jones sees in such policies their value as a social service he must be harshly and repeatedly shown the cold, stark realities spawned by such a philosophy.

Our rail network is a legacy thoughtfully provided for us by a generation more forward looking than our own, and far from bowing to our Mandarins in obsequiousness there will be a fight to ensure the retention of the standards for which we in this country have worked.

H. Showman.
Chelford House,
Chelford Road,
Prestbury, Cheshire.

Assets

From Mr. J. Pickering.

Sir,—I am quite unable to understand the thinking of commentators and Governments on the question of a wealth tax. All are unanimous in differentiating between easily realisable assets, shares in companies and Government Securities, and, for instance, agricultural land.

After all we are constantly urged to invest in industry and lend money to the Government, if we do so it is deemed proper to make our holdings subject to the wealth tax. On the other hand agricultural land must apparently remain immune. This is sheer nonsense for if the owners of agricultural land obtained their holdings more than five years ago they have been sitting on an asset which, with a pretty substantial hiccup last year, is now worth about four times as much as it was at the time of purchase. Moreover it is once again a rising asset as we move more and more into a golden age of farming.

As a nation we are getting quite soft in the head on the subject of agricultural land. When capital transfer tax was first suggested it was stated that full time working farmers would receive special concessions. In the event the concessions were extended to a farmer, an employee, the director of a farming company or a full time student. No longer a full time working farmer but now a maiden aunt, a daughter, a student supported by state grants and Uncle Tom Cobley and all.

I suspect that many of our legislators are now sitting on a big fat asset from which in any case they are deriving substantial grants and tax concessions. I suggest that all farmers who are not farming their land profitably should get out of the industry and make way for those who would make proper use of this rare national asset—the land.

J. P. Pickering.
Orchard Place,
Hexham, Northumberland.

Forecasts

From Dr. N. Tregenza.

Sir,—The energy crisis does not appear to have yet penetrated all corners of the massive bulk of the Department of the Environment. Its latest traffic forecasts assume unlimited supplies of petrol, at a price rising only 1 per cent. per annum well into the next century—and that is for the "pessimistic" forecast. At the same time the Department of Energy is informing the Royal Commission on Environmental Pollution that, by the year 2000, oil will be becoming increasingly scarce and expensive.

These forecasts cannot be ignored with impunity as they form the basis of the cost benefit analyses and traffic predictions used to establish the excessive size of many recent road building schemes, with consequent unnecessary loss of agricultural land. By contrast, the dependable rise in the value of food on world markets finds no place in the economic assessment of modern roads.

Despite these defects, a representative of the DoE, at a public inquiry in progress here, was prepared to state that: "Very few, if any, road schemes now show a positive present value of total net benefit."

Dr. N. J. C. Tregenza.
Elm Cottage,
1, Gurlyn Hill,
Relubbus,
Penzance, Cornwall.

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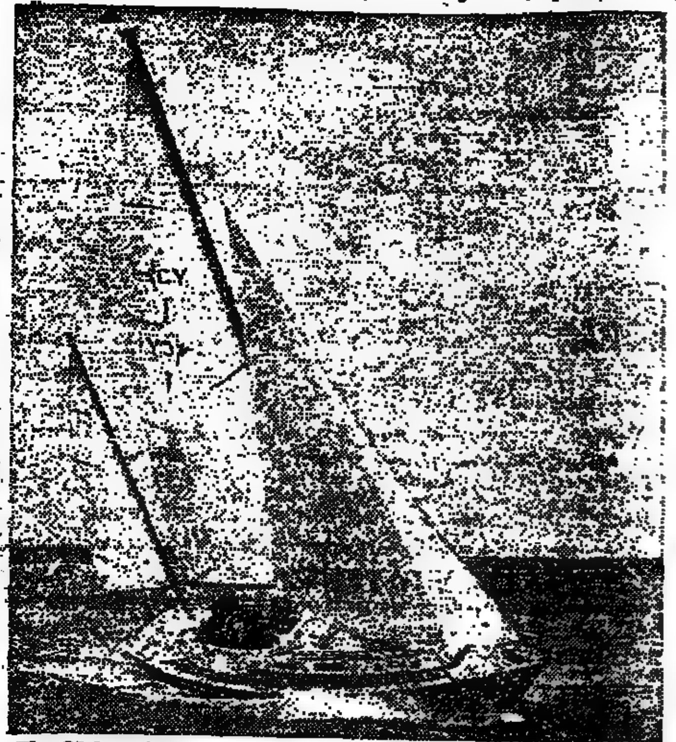
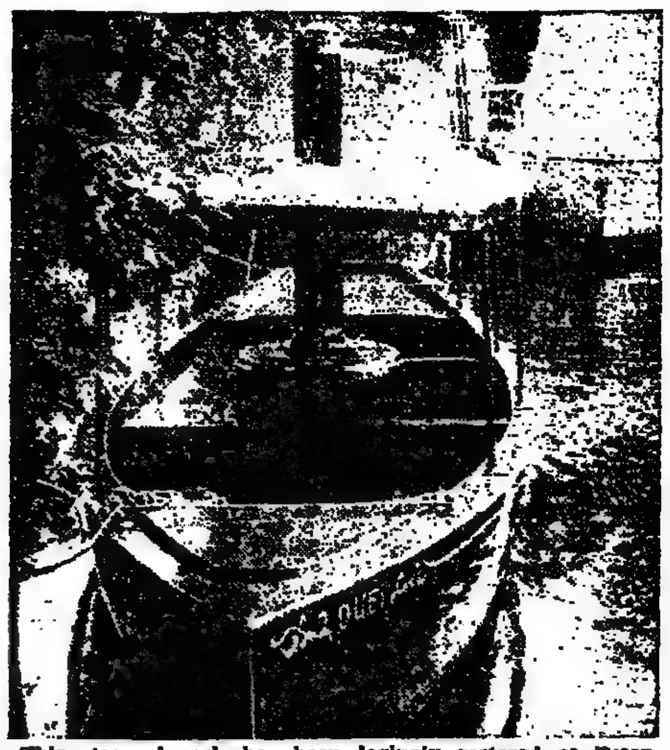


The 36-foot Conway from Westerly; 57 have been sold in the past 14 months.

The easing of hire purchase restrictions has brought relief to a British boat building industry that has been in the doldrums for the past year. With the Earls Court Boat Show opening on Thursday, **Stewart Alexander** examines the industry's prospects

Boat builders wait for the wind shift to settle



This steam launch has been lovingly restored at Peter Freebody's boatyard at Hurley-on-Thames.

THERE WILL be an extra shine on the glittering array of boats at Earls Court next week as eager salesmen at the Boat Show, which opens on Thursday and continues till January 11, seek to breathe back life into a home market that has been severely hit since VAT was increased to 25 per cent. in April.

Despite a brilliant summer, manufacturers have been living mainly off the fat of the pre-tax-increase orders and have had to look to the still buoyant export market for life saving turnover. But as cash flows are slowed to a dribble and the non-exporting companies are squeezed the need to revive the home market grows.

The *lifting* last week of hire purchase restrictions means that the second prong of what the industry felt was a Government attack on its very existence has been removed and there will be an immediate return to five and seven-year marine mortgages.

Only those companies in the most desperate straits, however, are looking to this simple expedient as the great relief-giving balm. There is no certainty that a flood of demand will be released at the Boat Show.

The past year has seen a big change in both the marketing *strategies* and *marketing* abilities of the boat building industry. At last year's show the major builders were already prepared for a big drop in home orders and were *forecasting* a further shakeout in labour of up to 40 per cent.

There was a handful of companies which had not only put in their export market groundwork but which were ready to rely almost exclusively, if necessary, on exports. The April rise in VAT meant just such an operation but caught many builders unprepared and some, particularly on the power boat side, have not sold a boat on the home market since.

Now that there is the prospect of some easing of the situation in the home market, which should particularly help the builders of sailing cruisers in the £5,000-£15,000 range, those companies which can gear up to take advantage of it will do so, but not at the expense of their overseas orders.

Slowdown

This year's slowdown in U.K. orders has meant a corresponding halt on research and development. The added impetus, if it comes, from the home market should mean that several projects that have had to be held in abeyance will get the go-ahead. If not, there is a grave danger that the competitive edge *of U.K. builders will be dulled.*

There has been some switch from completed to part-completed boats as buyers try to avoid as much as possible the effect of the 25 per cent. VAT and this is a trend which is likely to continue. But this applies to very few.

The market has been *changing* in terms of the type of buyer who is coming forward. There is still the very rich top end *which* wants to buy boats and sees them as a means of investing capital in such a way *that it will not depreciate* and can also be moved easily out of the country. The general *public may or may not be* pleased that Britain won the Admiral's Cup series this year; *yet it is always ready to be* shocked that the boats involved can run into six figures.

But *the vast majority* of buyers are those in the middle to lower ends of the market who are buying their boats out of income. It is often forgotten that thousands of them never go to sea at all; the number of registered craft on the Thames runs into tens of thousands and throughout the country there are inland waterways, lakes and reservoirs which are heavily used.

"Messing about in boats" really took off in the post-war period as first designs and then production techniques and *materials changed* quickly and radically. The sixties saw the greatest growth and, looking back now to the cost of boats at that time compared with incomes, one can easily see why.

However, although times are now much harder, there are no signs that a lasting peak in the U.K. fleet has been reached and as the economic climate improves so should the sale of boats. Although much of the cruising market is dominated by those whose families are growing up and becoming independent, thousands more young people are becoming involved in the pastime.

New boats at Earls Court will range from Jack Holt's Bumble Bee, 8 feet 5 inches long and selling in kit form for £88 plus VAT, to Camper and Nicholson's 70-foot ketch which, with a few extras, will set you back about £250,000.

Glass fibre

The move into aluminium by some of the racing fraternity is unlikely to be followed generally as glass fibre is still the popular and more economic choice for volume production.

Sail lofts, which have remained busy throughout the year, will be competing hard for both the replacement and the new equipment market and all will be emphasing their successes on the racing circuit.

Meanwhile the cruising buyer, who has grown noticeably more knowledgeable and competent in the past decade, will be able to benefit from the racing side. Much as in motor racing, it is this testbed that is used to prove hull theories, and successful racing models are often modified for the volume production cruising market.

It is these exhibitors at the show—which this year features an Aquitaine harbour setting, fashion shows, dancing and diving for sunken treasure in the pool—which can often set the cash tills ringing as the hordes of dreamers who visit Earls Court find something they can afford.

This year the show will be open on both Sundays. No decision has yet been taken about the venue for the next Boat Show, but Birmingham is a possibility and the frequency may be changed to every two years.

The market for workboats and patrol craft has been expanding well and the U.K. has seen great strides made *in* the Middle East, the Far East, West Africa and South America. This has been the upturn to counter the downswing of the powerboat market and it is one on which the British industry should continue to do well.

Equipment manufacturers, too, have been developing both products and markets with considerable success. An already thriving electronics export side has been helped by the growing safety consciousness among those going to sea for pleasure. Ship to shore radio telephones, now available *for* £200, are ahead both *in design* and *price* of overseas competitors.

As the private boat owner has taken more and more to doing his own maintenance so the yards up and down the coasts and rivers have had to rely on flexibility and initiative.

Open door

The larger yards which have not had *the back-up of* commercial work have had to lay off men and also to cut down on their *intake of apprentices.* But while the repair yards will lose some workers to the industry *for all time it is easier for* them to man up than their counterparts in the primary *industry who will find it more* difficult to react quickly to an upturn in business. Thus the *door may be left open to U.K.* agents of imported boats who in the second half of this year have had to rely mainly on re-exports or on completing part-finished hulls.

No one knows quite what will happen to the home market until the post-Boat Show period when the extent of hard orders will materialise. However, when Prince Philip opens the show next Thursday there will be far more optimism than there would have been without Mr. Denis Healey's concessions.

Undoubtedly the shake-out in the industry will continue as this highly fragmented trade learns to live with more modern management and trading techniques. But there is some hope that at least the sailing boat side has bottomed out and should see some upturn.

Campers, Moody, Southern Ocean, Westerly, Fisher, Marcon and Holts all have new products on display at the show or on the stocks. And there will be special market features to help sales.

The World Three-quarter Ton Cup is to be held in Plymouth this year, there is a growing trend towards the smaller racing *craft often owned by a syndicate,* the blow of the increased VAT is being softened with *familiarity (following* the example of the Dutch market in 1970-73), and there is the *strengthening emergence* of the motor-sailer market in which Fairways' expanding Fisher range has led the way.

Even the dinghy side, which although at the bottom end of the price range took a severe knock as petrol and, therefore, towing costs combined with higher prices to bring things to a grinding halt, should pick up with the opportunity for easier payment.

At least the doubts and rumours over any reduction in VAT should have been removed and those holding back on the hope of a reduction may be persuaded to take the plunge. This, coupled with the knowledge that prices are sure to rise eventually, if for no other reason than that components, particularly engines, are doing to cost more, may be just the impetus that will mean a prosperous New Year for boat builders.

Exporter

Despite fierce competition overseas, and stories of vicious price-cutting in Europe, the *industry has turned itself into* a healthy net exporter. Given a good cash flow situation at *home it should be able to pro*duce new boats to keep ahead of fashion.

Undoubtedly life will remain difficult for the gas guzzlers. But for the majority of companies, which had seen the Boat Show purely as a flag-waving operation that they could not afford to miss, there is now something to attack. They know that prices in the U.K. still compare very favourably with their European counterparts and that they can still offer a lot of boat for the money. What they do not know is how much money there is left in the U.K. buyer's pocket.

LABOUR NEWS

Leyland to introduce staff pension plan

BY OUR LABOUR STAFF

BRITISH LEYLAND is to introduce a company-wide pension scheme *for its* 37,500 staff next *summer after recent agreement* on the main lines of the scheme with unions from all plants.

The company introduced a similarly comprehensive plan for its 120,000 manual workers in September, *after a year of negotiations.*

It has taken unions and management more than two years to draw up the staff scheme, which will be automatically applied to new recruits but will be voluntary for members of the many present schemes.

The scheme will cost employees 5.5 per cent. of *their pen*sionable salary, with the company contributing 8 per cent. Pensions *will be calculated on the basis* of the best three consecutive years out of the final ten years of *service.*

A limited company is being set up to act as trustee and British *Leyland has promised full em*ployee representation on the trustee board.

In the manual workers' scheme, where life assurance cover extended back to June, nearly £1m. has been paid out in death benefits to dependants of 206 workers.

This scheme, too, has worker participation but at three levels.

Plant committees are being organised to represent workers and management. These will report to advisory councils at group level — one each in Ley*land Cars, Truck and Bus, and* Special Products.

The group councils in turn will *report to a joint management* council with company-wide authority. At both these higher *levels* workers will be represented.

The hourly paid workers' pension scheme costs 3 per cent. of wages, with the company contributing 5.2 per cent.

Include unions' hospital in NHS, says NALGO

BY OUR LABOUR STAFF

THE TUC is to consider demands by some of its member-unions that the trade union Manor House private hospital in North London should be assimilated into the National Health Service.

At at time when the private practice controversy is at a new height because of promised Government legislation, some union leaders believe it wrong that their members should be able to buy special treatment outside the NHS.

The hospital is supported by means of 10p-a-week *contributions* from some 500,000 shopfloor workers, and deals mainly with *industrial accident cases.*

A TUC spokesman yesterday pointed out that the status of the *hospital* is consistent with present *TUC policy, which* is to see the phasing out of private practice from the NHS—also the aim of imminent legislation. But several unions are also committed to abolition or much tighter control of the private sector itself.

The strongest call for the handing over of Manor House has come from *the National* and Local Government Officers Association which recently called on *its local authority* branches to oppose planning applications for private hospitals in their areas.

The TUC's social insurance and industrial welfare committee is expected to report on the case of Manor House as well as reviewing policy towards *private* hospitals generally, early in the New Year.

Construction men may seek new union alliance

BY OUR LABOUR STAFF

A NEW blow has been directed at the *already loose federation* that makes up the Amalgamated Union of Engineering Workers.

The acting general secretary of the AUEW's construction section, Mr. John Baldwin, says in his union journal that his members should be looking at one of the building unions if they want "real amalgamation."

This could mean linking up with the Union of Construction, Allied Trades and Technicians, or less obviously the Transport and General Workers' Union.

Attempts to bring the three small and Left-wing orientated sections of the *AUEW—construc*tion, foundry and supervisory (TASS)—under a common rule book with *the engineering* section dominant have suffered repeated setbacks. The most recent *of these* was the decision of the engineering section's national committee to take no *further steps* towards full amalgamation.

Mr. Balwin is acting general secretary following the death of Mr. Eddie Marsden.

Exxon doubts commercial value of Japanese gas

BY GUY JONQUIERES IN NEW YORK AND CHARLES SMITH IN TOKYO

ESSO EXPLORATION, which has a half stake *with Japan's* Teikoku Oil in the first offshore gas field found in Japanese *territorial waters, appears* moving towards a decision that the field does not merit commercial exploitation.

Exxon, which owns Esso Exploration, said in New York that *the company* had made no "positive decision" about the field off the Pacific coast of the main Japanese island of Honshu, but was likely to reach a decision in the near future.

"Based on current economics" there seemed to be "not enough incentive to go ahead with the gas project," it said.

Such a decision by *Exxon* would be a blow to hopes that Japan might develop its own *energy resources. Hopes were* raised when Esso and Teikoku drilled the first *successful* well in November 1973.

Teikoku's share value rose steeply after the 1973 gas strike, which was regarded as a pointer to possibly one of the world's largest offshore gas fields. Further successful wells were *drilled last year, but expecta*tions from the field gradually diminished.

In April, Teikoku drilled its ninth and last hole in the Joban area without the participation of *Esso. The company says* that it has no plans for further drilling but is still assessing the commercial feasibility of developing the field.

Esso is carrying out independent assessments through its Tokyo office but appears to differ from Teikoku in its estimate of the possibe size of the gas field.

The Esso-Teikoku field, which is off the coast of Ibaraki Prefecture *just* north of Tokyo, has *presented* a problem to its developers ever since the first traces of gas were discovered, partly because of the urgency attached to Japan's search for oil and partly for geological reasons.

The 1973 drilling programme was the first in the Pacific between Japan and the West Coast *of the U.S., which meant* that neither company could do more than guess at the nature of the geological structure.

The gas field is under 500 feet of water. This compares with 250 feet in the Bass Strait, where Esso is producing gas from offshore deposits, and 100 feet in Louisiana.

Another problem which could make exploitation of the field extremely costly is the need to compensate local fishermen. Japanese fishermen are a highly organised lobby, with strong public support and would almost certainly exact a high price from Esso and Teikoku if commercial exploitation went ahead.

Esso and Teikoku are *reticent* about estimates of the offshore field, declining even to confirm reports published two years ago of the field's potential size.

Call to 'humanise' computers

BY DAVID FISHLOCK, SCIENCE EDITOR

ATTEMPTS to computerise industry and commerce may fail if the need to preserve people's sense of dignity and individuality are ignored, according to a Canadian scientist.

Mr. Theodore D. Sterling, director of the computing science programme at Simon Fraser University, British *Columbia, offers guidelines for* keeping computing systems humane and dignified, drawn up at a series of workshops organised in Canada.

The guidelines for "humanising" computers cover five broad areas: response to normal users; response to idiosyncratic approaches; the kind of information stored and its veracity; *the* question of privacy; and certain aspects of ethics.

The last of a total of 25 guidelines, discussed by Mr. Sterling in Science, stipulates that a computer system "should treat with consideration all individuals who come into contact with it."

Other points from the guidelines are that transactions with a computer system should be courteous, that the system should recognise "as much as possible" that it is dealing with a diversity of people, and that the computer "should not trick or deceive."

Mr. Sterling says that he *knows of only one attempt*—one in which he was involved—to incorporate humanising features into a computer system and to evaluate their effects.

Obstacles

The most serious obstacles to attempts to humanise the machine might be that they would reduce the efficiency of most information systems.

"Their inclusion will increase overheads in terms of design effort, complexity of procedures, and execution time. It may even be necessary to add to the physical resources of central computers (to provide a larger *memory, a greater ratio of input* to output, and so on)."

Consequently managers and *systems designers who were* primarily concerned with efficiency could not be expected to initiate the search for better man-machine relations. Their value would become apparent not from cost-benefit calculations, but in the quality of life.

The desire to keep computer systems humane and dignified *must take its place with the* desire to keep air and water palatable, "as a necessary countermotive to *the drive* of government and industry to be as efficient and cost-conscious as possible."

Slater investments cleared

FINANCIAL TIMES REPORTER

THE INVESTMENT division of Slater Walker, which includes roughly £200m. worth of unit trust funds and a further £40m. worth of private clients' investments, has been given a clean bill of health by merchant banks N. M. Rothschild and Hambros', which are both represented on the main board of Slater Walker Securities.

The banks have been carrying out a detailed examination since October when they were called in to sustain confidence in SWS following the unexpected departure of former chairman Mr. Jim Slater. The report was submitted to the newly-constituted SW board and approved during the past week.

A preliminary report by investigating accountants Peat Marwick and Mitchell and Price Waterhouse has also demonstrated that this particular side of *Slater Walker* has been operated on a perfectly straightforward and conservative basis. The report contains no recommendations to alter either the present style or method of operations.

Unit holders, who are protected by the trustees and, ultimately, the Department of Trade, should be reassured when the findings are published. So far unit redemptions have been relatively light.

The draft reports on the other *aspects of the* Slater Walker group have been completed, but the final reports are not expected before the middle of next month.

COMPANY NEWS

Recovery prospect for Hensher (Furniture)

THE FALL in profits by more than half at Hensher (Furniture Trades) during the year to March 31, 1975 was due mainly to losses incurred by George Hensher but steps have been taken to turn this round "substantially" during the current year, says the chairman, Mr. A. G. Hensher, in his annual statement.

The 1974-75 result was also affected by losses at Superest Upholstery.

Leylux (1966) continued to make progress with increased profits for the year. Standard Upholstery Co. "continue to make good progress." Hensher Upholstery (Barbados) had a more difficult year, but produced a small profit. The Fiji operation is now trading profitably.

As announced on December 24, the company's pre-tax profit declined from £0.28m. to £0.13m. The dividend is reduced to 0.75p net (0.1p).

During the year the factory in South Wales built for a subsidiary was completed and the directors decided to obtain an up-to-date independent professional valuation. This valuation has been reflected in the accounts—the surplus of £257,616 has gone to reserves.

The same subsidiary sold its freehold property Zenith Works in London, E.9 for £265,000. The sale was effected by granting a mortgage to the purchaser and £238,500 remained outstanding at March 31, 1975.

In the opinion of the directors the market values of the group's other freehold properties in the U.K. are in excess of their present balance sheet values.

Meeting, Cardiff, January 14, noon.

Williams Lea down £62,894

ON SALES of £4.88m., against £4.39m., pre-tax profit of specialist printers, Williams Lea Group, decreased from £405,932 to £343,038 in the year to Sept. 28, 1975.

Stated earnings per £1 share fell from 6.36p to 6p. The dividend on the privately owned capital is raised from 55.4p to a maximum permitted 59.12p net.

The chairman, Mr. Donne, says slackening of demand provided the main obstacle but despite this £320,000 was invested in new plant and further substantial investment is planned for the current year. Although the business climate is still not encouraging, "we are continuing with our plans for development," he adds.

CHAPMAN

	1974-75 £	1973-74 £
Sales	4,820,978	4,390,649
Trading profit	469,423	529,741
Depreciation	126,353	122,809
Profit	343,038	405,932
Taxation	172,633	235,907
Net profit	169,405	170,025

EID-Parry listing

Listing of EID-Parry Ordinary and Preference—temporarily suspended on December 19—has been restored.

At a meeting on December 12 the directors approved, subject to various sanctions and approvals, a proposed scheme of arrangement and amalgamation of EID with EID-Parry (India), a rupee company incorporated on September 22 primarily for this purpose.

On the scheme being finally approved, present holders of EID-Parry will be issued two shares of Rs.10 in the new company for each £1 share, Preference or Ordinary held.

A supplement under the Exchange Control Act says that the purchase of Preference and Ordinary shares of EID-Parry by residents from non-residents may be made only with investment currency or with sterling proceeds of the sale of investment currency to an authorised bank at the current market rate.

The shares have not, however, become foreign currency securities. Upon the scheme becoming effective, the Preference and equity shares in EID-Parry (India) would be foreign currency securities.

Greenwood and Batley downturn

Profits, before tax, of Greenwood and Batley showed a reduction from £146,216 to £117,623 in the 53 weeks ended April 5, 1975, compared with the previous year, following a first half rise from £60,000 to £67,000.

After tax and extraordinary debits of £62,988 (£11,553), there is a virtual break-even position of £1,596 compared with £60,731 profit.

Earnings per 50p share are stated to be lower at 4.63p compared with 5.19p. A second interim dividend of 1.985p net raises the total from 3.5p to 3.735p.

It was announced earlier this month that the investment banking and engineering group, York Trust was making an agreed bid for G. and B., also an investment company whose shares were suspended in June when its major engineering subsidiary was sold.

County and District Properties

Pre-tax revenue available for distribution by County and District Properties declined from £90,334 to £65,031 in the half year ended September 30, 1975 and the net taxed balance emerged at £31,215 compared with £43,456. Rental income totalled £248,466 against £203,787.

Gross earnings per 10p share are stated at 0.65p against 0.9p and net earnings at 0.31p against 0.43p.

For the year ended March 31, 1975 net attributable revenue was £117,749 from which a single net dividend of 0.1p was paid.

Chairman Mr. L. W. Melville states that current developments have made good progress since September. Construction of the Blackpool development, the only one now in progress, is ahead of schedule and should be completed by the spring.

The completed Chatham development will make a substantial contribution to revenue when remaining lettings are completed, while the Brussels site has been disposed of at a small profit.

Disposals of certain completed properties are under consideration, members are told.

ROUND-UP

The South African Supreme Court has sanctioned the schemes of arrangement whereby Amalgamated Collieries of South Africa, Blesbok, Coronation, New Largo, and South African Coal Estates (Witbank) will merge with Vereeniging Estates to form Anglo American Coal Corporation. Dealings in the last-named shares will commence on January 5 with the London price expected to be in the region of 550p cum-premium.

Redland reorganises in S. Africa

Verref, Tongaat (through its subsidiary Coronation Industrials) and Redland, the U.K. tile producer with world-wide tile interests, have agreed to reorganise their South African concrete roof tile interests. The arrangements are subject to all the necessary consents being obtained and are expected to become effective from January 1 next.

The following, jointly owned companies, Coronation Concrete Roof Tiles (Pty.), Covercape Tiles (Pty.), Covervaal Roofing (Pty.), Northern Cement and Tile Works (Pty.), and Corocrete Free State (Pty.), will become wholly owned subsidiaries of Vereeniging Tiles through which the South African roof tile operations of Verref and Redland are presently conducted.

After the reorganisation Redland will hold a one-third interest in Vereeniging Tiles, the other two-thirds to be held by a new holding company jointly owned by Verref and Tongaat. A cash adjustment will be made between Verref, Coronation and Redland to give effect to these holdings.

Initially, the reorganisation which will result in formation of a national tile group under the name of Coverland Roof Tiles (Proprietary) will not have a material effect on the earnings or net asset values of Verref, Tongaat or Redland, it is stated.

Bond Worth still trading profitably

Bond Worth Holdings states that the final dividend of 2.03125p net announced on December 11 marginally exceeded that allowed under present Government legislation.

The company intends to pay the dividend as announced but to deduct 0.08125p from the current year's interim, due to be announced on February 27.

The group "continues to trade profitably" and it is intended to increase the dividend in the current year by the maximum permitted, say the directors.

Last year's total was given as 3.70625p, paid from a much reduced profit of £0.5m. (£2.35m.).

Marryat half year loss

Marryat Group has incurred a first half loss of £440,339 against a pre-tax profit of £42,100. Turnover decreased from £10.48m. to £8.98m. Profit for the year to March 31, 1975 was £568,644.

The first half results are after valuing stock and work at the lower of cost or net realisable value. Provision has been made for the expected losses, the directors state.

	Half-year 1975 £	1974 £
Turnover	8,980,000	10,484,280
Pre-tax loss	440,339	*42,100
Tax credit	39,284	†21,194
Extraord. debits	15,300	*32,644
Minorities	7,783	433
Attributable loss	408,807	*54,092

* Profit. † Charge.

The Ordinary capital was recently acquired by Sime Darby Holdings. Marryat is engaged in electrical and mechanical engineering services.

Inchcape restructs group

Inchcape Berhad has been restructured to identify the business and management of specific companies with the territories in which they operate, the directors announce.

A wholly-owned subsidiary has *been formed—Inchcape Malaysia* Holding Sdn Bhd (Inchcape Holdings), which in turn holds the entire capital of three intermediate holding companies, Inchcape Malaysia Sdn Bhd, Inchcape (Sarawak), Sdn Bhd, and Inchcape (Sabah) Sdn. Bhd.

The three intermediate holding companies now own the operating subsidiaries of the group in peninsular Malaysia, Sarawak and Sabah.

Under the scheme six existing companies, Anglo French Holdings, the Borneo Co. (Malaysia) Sdn Bhd, Champion Motors (Malaysia) Sdn Bhd, Champion Motors (Singapore) Pte. Motor Investment Bhd and The North Borneo Trading Co. (Borneo) Sdn Bhd, will be wound up voluntarily.

Eight new operating companies have been formed.

The assets, undertakings and investments of the companies to be liquidated will remain within the group whose overall financial and trading situation is "unchanged" by the reconstruction, say the directors.

Wiseman upsurge to £0.53m.

From increased sales of £7.03m., compared with £6.54m. first half profits of M. Wiseman and Co. have expanded from £345,000 to £526,000, subject to tax of £284,000, against £186,000.

Taxable profits for all the year to March 31, 1975, were £1.17m.

The company operates as ophthalmic optical makers and distributors. All the Ordinary capital is owned by U.K. Optical and Industrial Holdings.

Radiant Metal holds profits

Through slightly increased turnover, and strict control of overheads, the Radiant Metal Finishing Company has managed to marginally lift its first-half pre-tax profit from £60,574 to £62,081.

The net interim dividend is again 0.5025p per 12.5p share. Total for the year to February 28, 1975 was 1.48375p paid from profits (before extraordinary debits of £102,002) of £133,810.

	Half year 1975 £	1974 £
Turnover	239,475	208,023
Profit	62,081	60,874
Taxation	32,300	31,000
Net profit	29,781	29,574

Cost of interim dividend £8,884.

Nigerian Electricity

First half power sales of Nigerian Electricity Supply Corporation increase from £590,268 to £620,923, and group profit, after depreciation, was £259,471 against £279,956. Tax takes £102,000 (£120,000).

An interim dividend of 4.55p net (3.885p per £1 share has already been paid. The total for the year to February 28, 1975, was 7.906p from a pre-tax profit of £304,851 after minorities.

Results due next week

As the City recovers from the seasonal festivities next week's company news list is predictably thin with only six companies scheduled to announce figures. On Monday Queens Moat Houses and Negretti and Zambra will be declaring interim results while on Tuesday Knott Mill Holdings will announce half-time profits and Assam Consolidated Tea Estates preliminary figures. London Intercontinental Trust will announce its full year statement on Wednesday while Caplan Profile Group's annual profits are expected on Friday.

RECENT ISSUES

EQUITIES

Issue Price p	Amount Paid Up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price p	+ or –	Div. Amount	Times covered	Gross Yield	P/E Ratio
U.S.$	F.P.	—	$12¾	$12¼	Brazil Fund S.A.	$12¾	......	—	—	—	—
❖R5	F.P.	7/11	380	260	Kunlerfd G'd Min'g R1	275	+5	—	—	—	—
—	F.P.	—	£35	£29¾	Hughes Tool $1	£33	–⅛	Q40c	—	0.5	—

FIXED INTEREST STOCKS

Issue Price	Amount Paid up	Latest Renunc. Date	1975 High	1975 Low	Stock	Closing Price	+ or –
£99¼	£50	30/1	51½	49½	Bristol (City of) 13¾% Deb. Stk. 1981	51½	......
£99½	£50	11/2	52¼	49⅛	Coventry (City of) 13¾% Red. Stck. 1980	52¼	......
£98	£10	25/1	13	11½	Essex Water 9% Red. Pref. 1981	11½	......
❖£100	F.P.	15/10	121½	113	Haslemere Est. 9½% '90-5	122	+1
£100	F.P.	9/1	103	99⅞	Islington 13¾% Red. Stk. 1980	103	......
£100	F.P.	9/1	100¼	97½	Do. 14% Red. Stk. 1985/6	100¼	......
❖HK$100	50	—	870p	525p	Jardine Math. 7½% Conv. Uns. 1990	825p	......
††£98	F.P.	28/11	100	98¾	Lee Valley Water 9% Red. Pref. 1980	99	......
$US100	F.P.	—	100	93½	Midland Bank Float Cap Notes '82	100	......
$C100	F.P.	—	98¼	98	Noranda 9¾% Notes 1980	$C98¼	......
$US100	F.P.	—	102½	99	Do.	$US.102½	......
£98	£25	23/1	28	26	Norcros 15¼% Deb. 1990/95	27¾	......
£100	—	16/2	95	92	Pentos 15% Conv. Uns. 1985	93	......
❖50p	F.P.	17/11	50¼p	45p	Singlo 10% Cum. Conv. Pref.	46½	......
£100	F.P.	28/11	120	100	Sprirella 14% Conv. 1990	109xd	......
::£100	F.P.	—	113	110	Tenneco 10% Sterling $ Conv. 91-95	113	+½
$US100	F.P.	—	98	92	Trans Union Fin Cap 10¼% notes 1980	$U.98	......
£98	F.P.	31/10	99½	96½	York Waterworks 9% Red. Pref. 1980	96½xd	......

"RIGHTS" OFFERS

Issue Price p	Amount Paid up	Latest Renunc. Dates †	‡	1975 High	1975 Low	Stock	Closing Price p	+ or –
100	F.P.	19/12	30/1	180	160	Anglo-Am Asphalt	176	......
C$36	Nil	16/1	—	53	30	Bank of Nova Scotia	30pm	–8½
53	F.P.	5/12	7/1	62	56	Berry Wiggins	60	......
285	F.P.	12/12	16/1	363	332	British Home Stores	332	–3
52	F.P.	12/12	12/1	60	47	Capper-Neill	50	......
10	F.P.	3/12	9/1	22½	18	Charles (David)	19	......
55p	F.P.	24/11	8/1	87	79	Debenhams	85	......
100	Nil	8/1	13/2	19	14	Eagle Star	14pm	–1
25	Nil	5/1	30/1	36	35	Ellis & McHardy	35pm	......
60	Nil	19/3	20/2	6¾	5½	Fairey	5½pm	......
90	F.P.	12/12	9/1	128	119	Fenner (J.H.)	128	......
57	Nil	9/1	20/2	22	21	Green's Economisers	21pm	......
675	F.P.	1/2	7/1	827½	775	Harrisons & Crosfields	850	......
53	F.P.	15/12	12/1	86	64	Hunting Assoc. Inds.	86	......
60p	F.P.	5/12	5/1	100	90	Ibstock Johnsen	92	......
10p	F.P.	17/12	16/1	139	121	Kwik Save Discount	125	–1
10p	Nil	2/1	23/1	28	24	Lennons Group	26pm	......
10	Nil	22/12	20/1	34½	29	Lighting & Leisure	31	–½
68	F.P.	19/12	16/1	78½	75	Mowlem (J.)	78	......
$1.50	Nil	30/1	13/2	165	125	Nat. Bank of Aust.	137pm	+1
50p	Nil	—	—	5½	4½	Plessey	5pm	–½
10	F.P.	17/12	7/1	27	24	Pontins	26	......
50p	Nil	31/12	6/2	8	2	Pullman (R & J)	4pm	......
10p	F.P.	24/11	30/1	39	33	Raybeck	36	......
92	F.P.	19/12	30/1	130	116	Runciman (W.)	123	–2
38	F.P.	19/12	21/1	43½	33½	Spillers	41	......
20	F.P.	12/12	16/1	70	64	Watson & Philip	65	......

Renunciation date usually last day for dealing free of stamp duty. a Placing price to public. b Figures based on prospectus estimate. d Dividend rate paid or payable on part capital, cover based on dividend on full capital. p*** Pence unless otherwise indicated. u Forecast dividend; cover based on previous year's earnings. T Figures assumed. ; Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividends. ** Issued by tender. ❖ Offered to holders of Ordinary shares as a "rights." ❀ 290 S.Afr. cents. ‡ Rights by way of capitalisation. †† Tender allotment price. ◆ Reintroduced. :: Issued in connection with reorganisation, merger or take-over. ♣ Introduction. ◆ Issued to former Preference holders. ‡ Allotment letters (or fully-paid). † Provisional or partly-paid allotment letters. § With warrants.

BIDS AND DEALS

Ronde Klip takes 24% stake in E. Chalmers

E. Chalmers Holding announces that Ronde Klip NV has acquired a shareholding amounting to 24.3 per cent. of the issued Ordinary capital.

Mr. W. M. Howard, controlling *shareholder of Ronde Klip*, has been appointed chairman of Chalmers and Mr. J. C. Breedvald has joined the Board. Mr. J. R. Twaddley continues as a director and Mr. J. R. Conway and Mr. C. R. Dunford have resigned.

The new Board intends to continue the existing business of Chalmers' non-ferrous ingot manufacturing and metal merchanting, and intends to explore investment opportunities "promptly and aggressively" with regard to investment of its excess liquid assets.

Ronde Klip has no intention of making a bid for the balance of the equity, it is stated.

BLACK & EDGINGTON PURCHASE

Andrew Mitchell and Co., a subsidiary of Black and Edgington, has acquired the buildings, plant, stock and goodwill connected with the production of Birkmyres Cloth at Port Glasgow. They were purchased from Bridon Fibres and Plastics, which took over the Gourock Ropework Company, the originators and manufacturers of Birkmyres Cloth.

SHARE STAKES

Top View has purchased 3,500 Ordinary shares of Ashbourne Investments at an average of 17.5p.

Cooper Industries announces that Mr. C. C. Cooper has sold 1,022,916 Ordinary shares in the company (3.31 per cent.).

Ferguson Industrial Holdings have informed Liner Concrete Machinery that it has purchased a further 97,850 shares bringing its total holding to 2,007,850 (27.886 per cent.).

Rockware Group—Aggregate interest of Slater Walker, its subsidiaries, unit trusts, etc., as at December 2 amounted to 4.63m. *Ordinary shares (28.38 per cent.)*. This does not constitute a disclosure under the Companies Act. The Slater Walker Securities' holding in the company totalled 4.28m. shares (26.25 per cent.).

Concrete—Pentos has acquired a further 125,000 Ordinary shares bringing its total holding to 2,305,334 (approximately 24.79 per cent.).

London Sumatra Plantations—Golden Hope Plantations has bought 60,000 Ordinary shares amending its interest to 1.8m. shares.

ASHBOURNE STAKE FROZEN

A share stake representing over 5 per cent. of the capital of Ashbourn Investments, currently subject of a bid from Central and Sheerwood Trust, has effectively been frozen by the Secretary of State for Trade.

The 465,5000 Ordinary in question are registered in the name of Samuel Montagu and Co. (Nominees) for the account of Bank Julius Baer and Co. of Zurich. The restrictions imposed under Section 174 of the Companies Act 1948 arise out of the inability of two Inspectors, appointed last July to examine the affairs of Ashbourne, to identify the beneficial holder.

Section 174 restrictions prevent the transfer of any shares; voting rights attached to the shares are void; no further shares may be issued in right of the shares; and, except in liquidation, no payment may be made in respect of either capital or dividends.

SUMMARY OF THE WEEK'S COMPANY NEWS

Take-over bids and mergers

Agreement has been reached on a shares and cash offer for Clover Daries from the dairy products and drinks group Northern Foods. The consideration is basically seven Northern shares plus £11 in cash for every 10 of Clover, currently worth 160p per Clover share and a total amount of £9.6m. The Clover chairman, Mr. R. King, together with his family and family trusts, are accepting these terms in respect of their combined 66.5 per cent. shareholding in Clover. *Subject to a restriction that the total amount* of cash and Northern new equity issued through the take-over is not to exceed £6.6m. and 4.2m. shares respectively, shareholders are given the options of taking either 165p cash or 2.09 Northern shares (currently worth 150p) for each Clover share.

Clyde Petroleum, an unquoted concern with North Sea interests, has emerged as the bidder for Anglo-Ecuadorian Oilfields. The agreed take-over terms comprise a share-exchange of three Clyde shares for every four of A-E, with a cash alternative of 75p for each A-E, the latter consideration valuing the A-E equity at £6¾m. The financially-troubled Burmah Oil has, with the Take-over Panel's consent, irrevocably undertaken to accept the cash offer in respect of its 51 per cent. controlling stake in A-E, which will bring Burmah £3.45m.

Talks initiated in October between James Finlay and McLeod Russel with a view to a reorganisation of their share interests in four quoted tea associates have now borne fruit. Agreement has been reached on share-exchange bids carrying cash alternatives to be made by Finlay for Teith and West Nile and by McLeod for Consolidated Tea and Lands and Cessnock. The Finlay share offers currently value the Teith equity at £3.8m. and West Nile's at £2.6m., while the McLeod offers are worth £4.2m. for Consolidated Tea and £1.9m. for Cessnock. Subject to the bids going unconditional there will immediately follow a reorganisation of certain assets of the tea associates and of Finlay, including shares which they hold in certain jointly owned unlisted subsidiaries.

Company bid for	Value of bid per share k	Market price k	Price before bid	Value of bid (£m's) k	Bidder	Final Acc'ce date
Prices in pence unless otherwise indicated.						
AD International	116	113½	104	18.0	Dentsply Intl.	—
Anglo-Ecuadorian Oilfields	75b	71	64	6.73b	Clyde Petroleum	—
Ashbourne Invs.	20b	41‡	41‡	—	Cent. & Sheerwd. Trust	—
Bank Bridge	4½	3½	5½	0.77	Tranwood	—
British Benzol	30½	22	26	2.9	Tranwood	—
Brown Bros.	22*e	17	16	3.6*e	Dana Corpn.	—
Cessnock	260	220g	240	1.9	McLeod Russel	—
Chancery Cons.	36½	34	27½	4.8	Arbuthnot Latham	—
Clifton Invs.	4½*d	8	4½	0.15*d	Aries Hldgs.	—
Clover Dairies	160g	147g	92	9.6g	Nthrn Foods	—
Consolidated Tea	351	300g	360	4.2	McLeod Russel	—
Court Hotels	30*	32‡	32‡	1.3*	BSQ Secs.	—
First Talisman Inv.	6½*	5	3	0.13*	Energy Finance and Genl. Tst.	—
Great Boulder	73½d	71	70	43.0d	Western Mng.	—
Greenwd. & Batley	40	38‡	38‡	0.6	York Trust	—
Gresham Hotel	133*	135	—	1.1*	Tunney S. Htls.	—
Halford Shead	207	293	233	11.5	Alex. Howden	—
Holt Products	—	42	32	6.0e	Agreed merger	—
Lloyds Inds.	—	60	53			—
James (H. C.)	170	164	124	10.0	Barrat Devs.	—
Marryat Group	23*	23	17	1.8*	Sime Darby	—
MTE	33½	32	29	3.4	Ransome Hoffman Pollard	7.1
Robinson Rentals	210d	200	160	7.6d	Granada	—
SA Distilleries	465d	435	380	7.5d	Oude Meester	—
Teith Hldgs.	400g	350g	330	3.8g	James Finlay	—
Trianco	7*d	7	6½	0.4*d	Cent. & Sheerwd. Trust	—
Walmsley (Bury)	60*d	57	37	1.6*d	Beloit Cpn.	—
Washington Inv.	29½	27	28	2.2	Elect. and Genl. Inv.	—
West Nile	400g	380g	330	2.6g	James Finlay	—

* All cash offer. b Cash alternative. c Partial bid. d For capital not already held. e Combined market capitalisation. f Date on which scheme is expected to become operative. g Based on 24/12/75. k Based on 23/12/75. n Notional value. ‡ At suspension. † Bid.

INTERIM STATEMENTS

Company	Half-year to	Pre-tax profit (£000)		Interim dividends* per share (p)	
Assoc. Brit. Engg.	Sept. 27	30	(12)L	—	(—)
Assoc. Dairies	Nov. 1	5,869	(3,624)	8.8	(8.8)
Assoc. Tooling	Aug. 31	103	(148)	1.0	(0.963)
British Benzol	Sept. 30	261	(552)	0.83	(0.34)
A. Cohen	June 30	831	(1,403)	1.568	(1.47)
Eastern Produce	June 30	802	(1,443)	Nil	(Nil)
Fodens	Oct. 11	797L†	(425)	—	(—)
Forminster	Oct. 31	324	(282)	2.85‡	(2.34)
S. Hoffnung	Sept. 30	1,806	(1,705)	1.35	(1.25)
Hollis Bros. & ESA	Sept. 30	887	(887)	0.959	(0.879)
Kennedy Smale	Sept. 30	101	(118)	0.67	(0.67)
Lindsay & Wms.	June 30	2L	(93)	Nil	(1.0)
Midland Educatnl.	Sept. 30	13	(21)L	1.375	(1.375)
Moss Bros.	Oct. 25	94L§	(56)	Nil	(Nil)
Nova (Jrsy.) Knit	Sept. 30	15	(33)	Nil	(Nil)
Radley Fashions	Aug. 31	56	(50)	1.313	(1.313)
Wallis (Costumrs.)	Aug. 16	69†	(120)	1.0	(1.0)
Wearwell	Oct. 31	474	(462)	0.898	(0.896)
Wilson Bros.	Sept. 30	420	(412)	Nil	(Nil)
Woodrow Wyatt	Sept. 30	162	(214)	1.13	(1.13)

(Figures in parentheses are for corresponding period.)

Dividends shown net except where otherwise stated.

* Adjusted for any intervening scrip issue. † For 28 week ‡ Gross. § For nine months. L Loss.

PRELIMINARY RESULTS

Company	Year to	Pre-tax profit (£000)		Earnings* per share (p)		Dividends* per share (p)	
Brentnall Beard	Sept. 30	326	(313)	8.5	(8.1)	3.192	(2.925)
Camford Enginrg.	Sept. 30	1,113	(576)	3.0	(3.6)	3.35	(3.33)
Greenall Whitley	Sept. 26	3,983	(3,129)	5.6	(5.1)	2.134	(2.0)
Hensher (Furn.)	Mar. 31	131	(281)	1.0	(3.0)	0.73	(1.0)

Offers for sale, placings and introductions

Bandanga Holdings: Re-quotation of Ordinary capital.

UNIT TRUSTS

Lawson High Yield Fund offer

The Lawson High Yield Fund is on offer this week-end with an estimated annual gross yield of over 12½ per cent. The minimum investment is £100 and income is payable quarterly. The portfolio is split between high yielding ordinary shares, investment trust income shares and preference shares. While the preference shares are to provide stability plus an ultra high income, the equity and income share portion (over 50 per cent. of the whole) offer income growth prospects.

● **comment**

With a 12½ per cent. yield to offer and a track record of success behind it, the Lawson High Yield Fund is back in the fray this week-end. The capital growth prospects are constrained by the preference share proportion, but this is really a fund for the investor who requires high income (paid regularly) with growth as a secondary consideration.

Prospectus Page 17

TYNDALL CANYNGE

Tyndall Managers is advertising the Tyndall Canynge Fund with a minimum investment requirement of £1,500. The portfolio is composed of blue-chip shares, but the trust itself is small enough to be flexible. Tyndall also offers a share exchange scheme on advantageous terms for shareholders in U.K. companies.

● **comment**

Blowing one's trumpet about a winner is a fair way to start the New Year and Tyndall can certainly claim to have done well with Tyndall Canynge—which was one of the best-performing trusts in 1975 with a growth of 110 per cent. up to December 17. From the look of the portfolio, however, it looks dependent on continued recovery in the U.K. market, always remembering that it is not a large fund and the managers can exercise their discretion as to the desirability of overseas diversification.

AUSTRALIAN MINERAL

Barclays Unicorn International (Isle of Man)'s final net distribution to shareholders in Unicorn *Australian Mineral Trust*. The distribution for the six months to November 3, 1975, is at the rate of 0.2p per share, payable to shareholders on December 15, 1975. The net distribution for the year is 0.5p per share. The aim of the Trust is to give capital appreciation through investment in Australian mineral and mining shares. In the period under review the capital value of the Trust has risen by 67.7 per cent. compared with an increase of 7.3 per cent. in the Sydney Metals and Minerals Index and an increase of 31.8 per cent. in the Sydney All Ordinary Index over the same period.

EBOR JERSEY FIXED INTEREST

The income distribution from the Ebor Jersey Fixed-Interest Trust for the half-year ended October 31 is 6.73p per share, compared with 7.44p for the corresponding period last year. The managers expect the total payment for 1975-76 at least to equal the distribution for 1974-75.

FRIENDS' PROVIDENT

Friends' Provident Units have declared an interim distribution to Distribution Unitholders for the six months ended October 31 of 0.51p per unit. This compares with 0.48p per unit for the same period in 1974.

TARGET FUNDS

The income distribution to be made to unitholders in Target Commodity Fund for the six months ended December 1, 1975 amounts to 0.32p per unit compared with 0.30p per unit for the corresponding period last year.

The distribution to unitholders in Target Exempt Fund for the *half year ended November 28*, 1975 amounts to 2.16p per income unit compared with 2.58p for the corresponding period last year.

SAVE & PROSPER SHARE EXCHANGE

Save and Prosper is advertising the Save and Prosper Share Exchange Plan whereby the group will exchange units in any of its 25 trusts for portfolios currently valued at £500 or more. The advantages include a higher *exchange valuation if the shares* are accepted into one of the trust portfolios (the market offer price is given) plus savings on dealing costs. If S and P is unable to take in the shares it will sell them for the prospective unitholder without the normal deduction for commission and stamp duty.

● **comment**

The growth in the numbers and importance of share exchange plans during 1975 demonstrates that many people prefer professional management to handling *their own affairs and the S and P* Share Exchange Plan offers a way into 25 different unit trusts. The cost advantages can be very significant for a portfolio with lots of small holdings, though the prospective exchangee should realise that capital gains tax will be involved.

Prospectus Page 1

DISCRETIONARY UNIT FUND

An interim distribution of 1.65 pence per unit is being paid on the Discretionary Unit Fund. This distribution is a modest improvement on the 1.55p per unit paid last December and would have been greater but for the Government's counter-inflation restraint which limits the increase in companies' dividends.

GARTMORE OVERSEAS

The Gartmore Overseas Trust unitholders are informed that the Trust will in future be known as Gartmore International Trust.

The aim of the Trust is to provide capital growth by investing in which ever shares and which ever countries seem most attractive, and the managers feel that the new name more accurately reflects this aim.

M & G TRUST

Double life assurance cover for 12 months is being offered to new investors in a unit trust assurance plan with M and G Trust (Assurance).

The offer is being made to *savers aged 45 or under for whom* life cover will be doubled to 360 times monthly repayments in the first year. Applicants have to respond by January 19.

The plan involves regular monthly savings of £10 or more for up to 20 years. Money will be invested in the M and G General Trust Fund.

See also Page 11

SCOTGROWTH

During the period covered by the latest half-yearly report to *unitholders the managers* of Scotgrowth continued their policy of building up the fund's investments in Continental Europe. At November 1 32.2 per cent. of the portfolio was directly invested in Continental stocks.

Over the period particular emphasis was given to French securities which at November 1 accounted for 13.7 per cent. of the fund compared with 8.6 per cent. six months previously.

Distribution for the six months to Novemebr 1 is 69p per 100 units.

Telfer 4p liquidation payment

A first liquidation distribution of 4p per 10p Ordinary share, payable on January 20, 1976, is announced for Scottish departmental store operators, Telfer and Co.

The liquidator states that it is not possible to forecast the amount or timing of any further distribution. This will depend on property realisations, he adds.

A statement of affairs as at May 31, 1975 indicated an amount of £0.31m. or 11p per share, available to Ordinary holders.

CADBURY ADR'S

Morgan Guaranty Trust is now prepared to accept deposits of Cadbury Schweppes Ordinary 2: stock units, under the usual co *ditions, for issuance of Americ* Depositary Receipts thereagain in New York, where they will b traded on the "Over-the-Counte market, and for issuance International Depositary Recei in Brussels. Transfers are to b in the name of Guaran Nominees, 33 Lombard Stre E.C.3.

TKM SALE

Tozer Kemsley and Millbou (Holdings) shareholders ha *approved the sale by the N* York subsidiary, Fenchurch C poration, of its 50.21 per ce shareholding in Auto Finance C poration to the minority holde the Gomez Brothers, f U.S.$700,000 cash.

WALL STREET + OVERSEAS MARKETS + CLOSING PRICES

Late rally in sluggish trading

BY OUR WALL STREET CORRESPONDENT

NEW YORK, Dec. 26.

STOCKS CLOSED moderately higher for the third successive session, although trading was very slow. Many investors took the day off as part of a four-day Christmas week-end.

The Dow Jones Industrial Index, up about two points for much of the session, rose in the last two hours to close 7.87 higher

Apart from North America, market reports refer to December 24 when many stock markets did not open. Canadian markets remained closed on December 26.

at 859.91. The Transport Index rose 1.56 to 170.68; Utilities put on 0.61 to 82.73; and the Stocks Index gained 2.32 ending at 261.91.

The advance was mostly due to year-end technical factors, including portfolio adjustment and re-investment following tax selling. But analysts also noted that the Federal Reserve's ½ point reduction to 2½ per cent in the reserve requirement on time deposits maturing between 180 days and four years was a bullish market factor.

Advances led declines 1,031 to 351 and volume approximated 10m. shares, against the 11.15m. traded on Wednesday—Christmas Eve. It was the lightest volume since 8.6m. shares were traded on last September 15.

Alcoa gained $1 to $40¾, UAL $1 to $28, Bell and Howell $1 to $16½, General Electric $1⅛ to $46½, Polaroid $1⅛ to $31⅞, Phillips Petroleum $1½ to $53½, National Medical Care $1 to $15¾, IBM $1⅞ to $223¾ and Mississippi River $1 to $22½.

Orange-Co advanced $1½ to $12, Dresser Industries $1⅛ to $60⅞, *National Semiconductor* $2½ to $42½, Pepsico $1½ to $72, Disney $1⅞ to $49⅞, Tandy $1⅛ to $52⅞, Ethyl $1½ to $27⅞, Hughes Tool $1⅛ to $44, Texas Instruments $2 to $95½, Digital Equipment $3½ to $137⅞, Halliburton $4 to $146⅞.

Banking and Finance Company stocks also moved higher. First Charter *Financial picked up* $1⅛ to $13, Great Western Financial $1⅛ to $14½, National Detroit ⅞ to $39½, Continental Illinois $1 to $36, *Financial Corp. of Santa Barbara* $⅞ to $10½.

Fairchild Camera rose $2⅞ to $38. The company said it settled a $20m. suit filed against it by *Litronix Inc.*

American Stock Exchange prices closed *higher* in light trading. The Amex Index was 0.22 higher at 92.58 and advances led declines 870 to 212. Volume was 1,438,000 shares against Wednesday's 1,298,000.

OTHER MARKETS

PARIS—The market was steady and trading was minimal. Most sectors steadied but Financials, Motors and Electricals were mixed. Metals were unchanged and Stores weakened.

In the foreign sector, Ford and Dupont led Americans higher, while Dutch, Oils and Golds were mixed.

BRUSSELS—The market was slightly firmer in extremely quiet trading.

Bruxelles Lambert, Tracelec, CBR, Solvay, Union Miniere and Cockerill were higher. However, Electrafina and Vielle Montagne were lower. Hoboken also *fell*, depressed by news of a proposed dividend cut. Gold Mines fell, *U.K. and French issues marked* time, but most other foreign *stocks rose*.

Petrofina and American Petrofina were higher, while Canadian Petrofina eased.

AMSTERDAM — The market generally firmed during the half-session ahead of the holidays in light turnover. Royal Dutch and Hoogovens led the trend in Dutch Internationals. Unilever erased an initial small loss to finish unchanged on balance.

Elsewhere gains were headed by Anifas, Dell, Amro, Hal and Van Ommeren with isolated losses in Pakhoed, RSV THV, Boer and Gist Brocades, the latter on its expectation of halved 1975 earnings.

ZURICH—The stock market closed generally well disposed in continued active trading with buying interest centred on Financials and Industrials.

Leading Banks closed very steady. Interfood "B" and Juvena Bearer were strongly *favoured among Financials*. Oerlikon-Buehrle Registered were actively traded, but closed little changed.

Brown Boveri, Surer Bearer, *Ciba-Geigy, Hero* and Sandoz Bearer all moved higher, while Roco "A" lost its recent gain.

JOHANNESBURG—Gold shares were narrowly mixed towards the close following the higher bullion price.

Harmony was 5 cents higher at R5.05. Loraine shed 2 cents to *R2.10. Financial Minings* were little tested. Coppers were unchanged and in Platinums Lydenburg rose 3 cents to R123. Other metals were mixed. De Beers lost 10 cents to *R355*.

The industrial market was little changed.

HONG KONG—The market firmed again in active trading to just short of the year's highest at the early close ahead of the Christmas break.

Turnover at $HK8.68m. was nearly as high as Tuesday's. Investor interest again centred on Blue Chips such as Hong Kong Bank, Hong Kong Wharf, Hong Kong Docks and Wheelock Marden.

TOKYO—The market firmed in active trading as the recovery on Wall Street encouraged interest in *Blue Chips*.

Sony rose Y60 to Y2,230, Pioneer gained Y40 to Y2,300, Honda Motor put on Y4 to Y332 and Hitachi Y3 to Y187.

Textiles, Paper-Pulps, Chemicals, Cements and Non-Ferrous Metals rose. Steel Mills and Oils also firmed. But some Electricals eased.

AUSTRALIA—Markets closed on a strong note in subdued trading conditions ahead of the *Christmas holidays*.

The half-day's trading was subdued, but most of the gains recorded were substantial.

Utah jumped 20 cents to $A9.50 and GMK improved 8 cents to 80 cents on the higher bullion price. CRA, which may make an offer for IOL, rose 5 cents to $A2.55 while IOL picked up 2 cents at 82 cents. BHP rose 6 cents to $A6.92.

Other mine shares to firm included Hamersley, Queensland Mines, Peko-Wallsend and Woodside-Burmah. MIM was an exception, however, slipping 6 cents to $A2.12. Pancontinental gained 10 cents at $A8.90.

Indices

NEW YORK

DOW JONES AVERAGES

	Home Bonds	Transport	Indus.	Util.	Trading volume 000's
	68.72	170.68	859.91	82.73	10,020
	68.58	169.12	851.94	82.12	11,150
	68.65	167.20	843.75	81.19	17,750
	68.56	165.85	838.63	81.36	15,340
	68.41	166.95	844.38	81.16	17,720
	68.38	167.81	852.09	81.42	18,040
	68.34	166.09	846.27	81.32	16,560
	68.21	166.52	844.30	81.35	18,350
	68.16	164.64	836.59	81.13	13,980
	68.09	164.78	832.81	81.00	13,100
	68.15	165.11	832.73	80.94	15,300
	68.17	165.07	833.99	81.03	15,680
	68.30	162.65	824.15	80.65	16,040
	68.39	163.14	821.63	80.85	14,150
	68.42	165.34	818.80	80.81	14,060
	68.57	164.90	829.11	80.71	16,380
	68.38	160.23	826.49	81.06	21,320
[illegible]	69.82 (4/4)	174.45 (18/11)	881.81 (15/7)	87.07 (24/6)	—
[illegible]	66.18 (5/1)	146.47 (2/1)	632.04 (2/1)	72.02 (2/1)	—
[illegible]	—	279.88 (7/2/69)	1051.70 (11/1/73)	163.32 (20/4/65)	—
[illegible]	—	13.23 (8/7/32)	41.22 (8/7/32)	10.58 (28/4/42)	—

† Excluding bonds

IND. DIVIDEND YIELD p.c.

Dec. 19	Dec. 12	Dec. 20 1974
4.43	4.49	6.30

N.Y. SE ALL COMMON INDEX

December 31, 1965=50

1975 High	1975 Low	Dec 26	Dec 24	Dec 23	Dec 22	Dec 19
[illegible]	37.06 (8/1)	47.50	47.18	46.77	46.46	46.62

RISES AND FALLS

Issues traded	Up	Down	Unchanged
1,789	1,031	351	407

	Dec 26	Dec 24	Dec 23	Dec 22	Dec 19
Highs	23	22	26	15	19
Lows	2	5	20	20	11

AMERICAN SE MARKET VALUE INDEX

Starting base 100 Aug. 31, 1973.

	1975 Low	Dec 26	Dec 24	Dec 23	Dec 22	Dec 19
	62.28 (2/1)	92.58	92.36	91.89	91.75	92.45
Volume		1,440	1,300	2,670	1,690	2,140

STANDARD AND POORS U.S. STOCK INDICES

		*Industrials	†Composite
Dec.	26	101.07	90.25
"	24	100.12	89.46
"	23	99.36	88.73
"	22	98.65	88.14
"	19	99.43	88.80
"	18	100.78	89.43
"	17	99.98	89.15
"	16	99.69	88.93
1975 High		107.40 (15/7)	95.61 (15/7)
1975 Low		77.71 (8/1)	70.74 (8/1)

* 425 Industrials. † 500 Industrials, 50 Utilities, 25 Rails.

STOCK AND BOND YIELDS

	Dec. 26 1975	Dec. 17 1975	Dec. 19 1974
Ind. Ord. yield pc	3.75	3.76	5.01
Ind. Ord. p/e ratio	12.48	11.31	7.48
Long-term Govt. Bds. per cent.	6.04	6.06	6.28

FRIDAY'S ACTIVE STOCKS

	Stocks traded	Closing price	Change on day
Kauf Broad	324,000	8⅝	+⅛
Southland Corp.	134,100	22¾	+⅛
Occidental Petrol	157,300	14	+⅛
Pan Am	121,400	5½	+⅛
Braniff Internatl	118,300	9⅛	+⅛
U.S. Gypsum	117,600	16⅞	+⅛
Sou Cal. Ed.	102,900	19⅞	+⅛
Mission Equities	98,600	8⅞	+⅛
Texaco	80,300	23½	+1
Fed. Nat. Mtg.	78,800	14⅞	+⅛
Asarco Inc.	73,200	13⅛	+⅛

TORONTO

INDUSTRIAL INDEX

Dec. 24	Dec. 23	1975 High	1975 Low
170.33	169.51	196.50 (15/7)	159.41 (2/1)

MONTREAL

INDUSTRIAL INDEX

Dec. 24	Dec. 23	1975 High	1975 Low
174.14	174.07	205.81 (15/7)	159.06 (3/1)

COMBINED INDEX

Dec. 24	Dec. 23	1975 High	1975 Low
171.16	171.10	198.09 (12/7)	158.56 (2/1)

JOHANNESBURG

	Dec. 23	Dec. 22	1975 High	1975 Low
Industrials	209.7	210.2	238.9 (16/7)	193.2 (23/1)
Gold	216.3	218.0	379.1 (3/1)	199.2 (8/12)

(1958=100.) Source: Rand Daily Mail.

MELBOURNE YIELDS

Av'ge yield on 50 Leading Stocks	Dec. 24	Dec. 19	Dec. 4
On Dividends	6.00	6.00	5.92
On Earnings	9.94	9.94	9.48

SYDNEY ALL ORD. INDEX

Dec. 24	Dec. 23	High 1975	Low 1975
438.40	436.09	440.78 (5/12)	289.99 (9/1)

TOKYO NEW SE INDEX

Base=100 January 4, 1968

Dec. 24	Dec. 23	High 1975	Low 1975
316.11	314.15	333.11 (2/7)	268.24 (10/1)

HONG KONG INDEX ⊕

Dec. 24	Dec. 23	High 1975	Low 1975
341.55	338.14	341.57 (9/6)	160.44 (9/1)

SINGAPORE INDEX §

Dec. 24	Dec. 23	High 1975	Low 1975
255.69	260.80	268.69 (11/3)	165.25 (8/1)

EUROPE

	Dec. 26	Previous	1975 High	1975 Low
Belg'm (a)	104.15	104.05	111.81 (15/6)	89.07 (2/1)
Denm'k (b)	(c)	101.10	101.10 (23/12)	73.06 (13/1)
France (d)	68.4	68.2	72.6 (23/4)	51.70 (2/1)
Germ'y (e)	(c)	776.4	776.4 (23/12)	575.5 (2/1)
Holland (f)	85.4	85.3	107.8 (5/6)	83.2 (2/10)
Italy (g)	(c)	85.51	105.58 (21/2)	75.41 (17/10)
Spain (h)	—	—	110.96 (24/4)	91.80 (19/9)
Sweden (k)	(c)	390.35	408.21 (12/11)	310.06 (9/1)
Switz'rl'd (m)	280.0	277.0	295.1 (6/6)	208.5 (2/1)

Indices and base dates (all base values 100)—(a) Belgian S.E. 31/12/63. (b) Copenhagen S.E. 1/1/73. (d) Paris Bourse 1961. Price for 26/12. (e) Commerzbank December 1953. (f) Amsterdam Industrial 1970. (g) Milan 2/1/73. (h) Madrid S.E. 31/12/74. (k) Stockholm Industrial 1/1/58. (m) Swiss Bank Corp. 31/12/58. (u) Unavailable. ⊕ Hang Seng Bank 31/7/64. § Straits Times 1966. (c) Closed. † Adjusted.

Late Christmas spending fails to halt decline in sales volume

BY OUR INDUSTRIAL STAFF

[illegible] LATE surge of Christmas [illegible]nding appears to have been [illegible]ntained strongly at many [illegible]s until the last minute on [illegible]istmas Eve.

[illegible]his means that early fears [illegible]he shops that there was to [illegible]an austerity Christmas have [illegible]gressively diminished. But [illegible] early assessment of the [illegible]ume, as opposed to the cash [illegible]e, of Christmas trade sug[illegible]s that over the country as a [illegible]le the usual year to year [illegible]ease may not have taken [illegible]e.

[illegible]xperience has varied widely [illegible]n shop to shop, and from one [illegible] of the country to another. [illegible] a striking feature of Christ[illegible] trade has been the change [illegible]n established patterns.

[illegible]t one large Oxford Street [illegible]e, for instance, where the [illegible] trading day was expected to be the Saturday before last, record business appeared that day, but has since been exceeded *on several occasions*, including the Thursday, December 18 late-shopping day, last Saturday and Monday of this week. Christmas Eve was estimated to be 20 to 25 per cent. above expectations.

Oxford Street stores have benefited in some degree from the fall in the value of sterling in the foreign exchange *market*, which together with recent official policy aimed at developing hotel space, has meant a *marked rise in the flow of* foreign visitors wishing to take advantage of prices in British shops.

Some stores' managers, for instance, calculate that certain articles of clothing may be bought in London at about half the price. of the Continent.

There appears to have been a marked change in the pattern of Christmas shopping as a result of the economic downturn, and the rising cost of transport.

There has been a move away from the middle price range, with shoppers buying relatively cheap goods at one end, and relatively expensive at the other. There is also said to have been a strong switch towards functional presents.

Christmas card stocks have been exhausted in some shops, but this is against a background of conservative ordering of cards. *For many retailers, sales of* Christmas cards have run close in volume to last year's. But some stores have noted strong *buying of highly expensive cards*—in the work-of-art range for instance—and also strong buying of gift vouchers, which may be used to combine the sending of a Christmas Card with the giving of a present.

Electronic calculators were in demand during the Christmas run-up, while the relaxation of hire purchase controls last week, brought an immediate increase in demand in some shops, for *television sets and hi-fi* equipment.

● All Christmas mail posted by the recommended posting dates, and most mail posted since then, is believed to have been delivered by Christmas Eve. Postings in the period December 1-24 are thought to have been about 17 per cent. below last year's levels. In Scotland, posting of mail was reported to be 20 to 25 per cent. down in the *December 13-23 period*.

Slater Walker may sell one-third stake in Rockware

FINANCIAL TIMES REPORTER

[illegible] Slater Walker stake of [illegible]ly one-third in Rockware, [illegible] glass group, could be sold as [illegible] *of the review of the finan*[illegible] problems being undertaken [illegible] Mr. Jimmy Goldsmith, the [illegible] chairman, according to Mr. [illegible]r Parker, the Rockware [illegible]rman, in the group's internal [illegible]spaper.

[illegible]It is naturally our hope that [illegible] will be found to *spread* [illegible]e shares round the institu[illegible]s in due course." Mr. Parker [illegible].

[illegible]ater Walker would neither [illegible]irm nor deny that a disposal [illegible] likely. "On all share deal[illegible], we can make no comment." [illegible]aid.

[illegible]is known, however, that con[illegible]ations have been taking place [illegible] high level between Rock[illegible]e and Slater Walker on an [illegible]ost daily basis recently about [illegible] disposal of the shares.

[illegible]is understood that Mr. Gold[illegible]h has undertaken that there [illegible]ld be no sale without con[illegible]ation with Mr. Parker, or [illegible]out his approval.

[illegible]r. Parker said this in less [illegible]icit terms in the company's [illegible]spaper: "I was given the [illegible]rance that nothing would be done which did not sustain previous undertakings and that certainly nothing would be done that was not amicable to Rockware."

In *fact*, Slater Walker has recently run down its stake slightly. An announcement from Rockware disclosed that the Slater Walker stake now stood at 28.38 per cent., or just 1 per cent. under its former level.

If the stake should be *sold*, Rockware is anxious that the buyer should not be either a customer or a rival. Any buyer taking the whole of *the stake* would be in a position to make a takeover for the company, although such an attempt would meet with vigorous *opposition* from Rockware.

In the protection of its interests, Rockware has been in touch with City in*stitutions about* possible purchases of parcels of shares.

The Rockware management, however, is *fairly* relaxed about the whole situation and in the company's newspaper, Mr. Parker said of the assurances he had *received from* Mr. Goldsmith: "The Rockware working community has a right to feel a steadiness in its affairs."

Rail unions to campaign against economies

By Christian Tyler, Labour Staff

RAILWAY unions are to renew next week their efforts to persuade the travelling public that without a major change of heart *by the Government* in the next month or so the rail service is heading for serious and permanent deterioration.

Cancellation of all trains yesterday was for many passengers the first evidence of British Rail's short-term economy drive. But the unions say that such economies will become permanent because of a Government decision to freeze the amount of investment spending on the *network for five years ahead*.

By 1981, according to Mr. Sidney Weighell, general secretary of the National Union of Railwaymen, either the network will be cut to under 4,000 miles, a third of its present size, or there will be fewer trains running over the same track mileage.

Mr. Anthony Crosland, Environment Secretary, this week again refuted the unions' *claim* that such drastic consequences were implied by holding investment spending to £238m a year, but left union leaders unconvinced.

They are to meet the British Rail Board early next month to review their calculations, hoping at the same time that the Board will publicly declare its own concern.

The meeting is in preparation for further consultation *promised by the Government*.

OVERSEAS SHARE INFORMATION

NEW YORK

Investment premium based on $2.60 per £1—113½% (113¼%).

CANADA

GERMANY ◆

PARIS

STOCKHOLM

MILAN

SWITZERLAND ◆

BRUSSELS/LUXEMBOURG

OSLO ◆

AUSTRALIA

AMSTERDAM

VIENNA

XCP Ex Coupon.

TOKYO ¶

Source Nikko Securities Tokyo

COPENHAGEN

SPAIN ♥

Dec. 26	Per cent.	
Asland	258	—
Banco Lopez Quesada	770	—
Banco Bilbao	865	+[illegible]
Banco Atlantico (1,000)	665	−4
Banco Central	875	—
Banesto (250)	596	−5
Banco Exterior	533	+6
Banco General	650	—
Banco Granada (1,000)	363	−7
Banco Hispano	567	—
Banco Iberico	466	—
Induban	420	—
Banco Ind. Cat. (1,000)	415	—
Banco Mercantil (1,000)	1,008	—
Banco Noroeste	320	—
Banco Occidental	456	+12
Banco Popular	700	—
Banco Santander (250)	648	—
Banco Urquijo (1,000)	616	—
Banco Vizcaya	730	—
Banco Zaragozano	345	—
Bankunion	366	—
Altos Hornos	152	+6
Babcock Wilcox	139	−4
CIC	494	—
Cresinco	176.50	+1
Dragados	775	+10
Inmobanif	138	—
Energias Ara	150.50	−1
Espanola Zinc	240	+3
Exp. Rio Tinto	219.75	—
Fecsa (1,000)	133.50	−0.50
Fenosa (1,000)	121	—
Finanzauto SA	403	—
Finanzauto Servicios	456	—
Gal. Preciados	492	—
Grupo Velazquez (400)	403	+3
Hidrola	112	+2
Iberduero	209	+2
Motor Iberica	219	—
Olarra	380	—
Petroliber	365	—
Sarrio Papalera	323	+15
Seat (1,000)	155	—
Sevillana Elec.	150	−2
Sniace	186	−2
Telefonica	226	+2
Tubacex	335	+0.50
Union Elec.	130	−1
Union y Fenix	630	−10
Urbis	225.50	−0.50

JOHANNESBURG

MINES

December 24	Rand	+ or −
East Driefontein	†11.50	−0.50
Elsburg	2.20	−0.05
Harmony	5.05	+0.05
Kinross	5.30	−0.15
Kloof	†8.20	−0.30
Potgietersrust Platinum	†1.70	−0.05
St. Helena	†23.50	−1.00
South Vaal	†7.75	−0.20
Union Corporation	5.08	
De Beers Deferred	3.55	
Blyvooruitzicht	†8.25	−0.15
East Rand Pty.	†6.08	
Free State Geduld	†23.00	−1.00
President Brand	†19.30	
President Steyn	13.25	−0.25
Stilfontein	†2.30	−0.15
West Driefontein	†41.00	−1.00
Western Holdings	26.25	−0.25
Western Deep	†16.00	−0.50

INDUSTRIALS

	Rand	+ or −
African Explos. and Chem.	1.95	−0.05
Barlow Rand	3.16	
CNA Investments	†2.95	
Currie Finance	†0.53	
De Beers Industrial	†6.75	
Edgars Stores	†36.00	
Federale Volksbeleggings	2.05	
Glen Anil Development	†1.90	
Greatermans Stores	4.40	
Huletts	†2.70	
LTA	†1.68	−0.03
Nedsual	2.00	
OK Bazaars	†8.60	+0.10
Ovenstone Investments	†0.85	−0.03
Premier Milling	6.20	
Protea Holdings	1.25	
Rand Mines Properties	2.15	
Rembrandt Group	2.40	
Reynold's Bros.	6.10	
Sage Holdings	†1.70	
SAPPI	1.90	+0.05
Sorec	0.85	−0.05
SA Breweries	1.16	+0.01
SA Distilleries and Wines	‡5.40	+0.10
Tiger Oats and Natl. Mls.	†7.80	−0.10
Unisec	1.02	

This service is available to every Company dealt in on Stock Exchanges throughout the United Kingdom for a [illegible]

FT CLIPPER RACE BY JOHN BRAY

Gale knocks out Kriter

SYDNEY, Dec. 26.

A FORCE NINE gale and heavy seas have knocked the French ketch Kriter out of the return leg of the Financial Times London-Sydney clipper race.

The rough weather in the Tasman Sea has also given a battering to the Italian schooner, CS e RB II.

The 80 feet Kriter has lost all steering after sailing through 40 hours of gales. With her hydraulic control lines failing and her rudder useless, she is drifting almost helpless, but trying to use the southerly winds to make Falkland or to return to Sydney.

When she was knocked out at 04.00 GMT to-day, Kriter was contesting the lead with Anaconda II, the Australian ketch, which was reported to have made the furthest easterly passage, and with Great Britain II, just a few miles astern.

Kriter was one of the favourites for the return passage. She challenged Great Britain II throughout the first leg from London, arriving in Sydney only six hours behind the British boat.

It was thought that, having been well tried and tested on the outward leg, she would show the others a clean pair of heels on the way back.

She arrived in Sydney with steering trouble, particularly in the hydraulic system, but it was thought that hard work in Sydney had overcome the problems and she set off last Sunday confident of success.

A few hours before the Kriter disaster, CS e RB II, the 61 foot Italian schooner, was "knocked down" by a vicious sea and heavy wind gusts. But skippered by Doi Malgringi, perhaps the most experienced deep-sea sailor in the race, she survived the ordeal.

The crew, having got their breath back, reported no damage to the boat—only to their peace of mind.

Emergency services

Kriter has not asked for emergency services, but race organisers in Sydney are keeping in close contact. Kriter will need at least 20 days to reach harbour and make her repairs and this puts her out of the race.

Positions received from the yachts at 05.00 GMT on Christmas Day were Anaconda II (Australia) 41° 40′ S, 160° 33′ E, Great Britain II (U.K.) 42° 30′ S, 157° 30′ E, Kriter II (France) 41° 45′ S, 158° 45′ E, CS e RB II (Italy) 40° 30′ S, 157° 30′ E, Great Escape (Netherlands) 43° 40′ S, 156° 20′ E.

About 25,000 people to-day watched 104 yachts start in the 650-mile classic race from Sydney to Hobart.

Escorted by police launches, the competitors had to run the gauntlet of hundreds of spectator craft as the race began under grey skies, with a 15-knot wind.

The Sydney-Hobart race is the culmination of the four-race Southern Cross series.

Britain's Ron Amey and his crew aboard Noryema made the best start, and held the handicap lead in the early miles.

Of Britain's second yacht, Apollo III, now skippered by Bobby Lowein—Arthur Slater having had to fly home—there was only a vague sighting and, later, a confused radio position report. Meltemi's position was equally vague. But she was seen forced northwards, off-wind, by spectator craft a few miles from the start.

The yacht Barbarian, sailed by a team of Sydney women, neatly sliced an 18-ft. skiff in two, collected the survivors, passed them over to the police and then continued in the race.

The New Zealanders led on points in the Southern Cross team series before the Hobart race start.

Strong winds of up to 40 knots from the North-East are forecast, raising hopes of a record finish.

RACING BY DOMINIC WIGAN

Captain Christy by a mile

CAPTAIN CHRISTY, who put up such a fine display when making virtually all the running to beat Pendil by eight lengths in last year's King George VI Chase at Kempton, won the same race again yesterday in a manner which Arkle at his best would have found difficult to better.

Sent off at a blistering gallop by his young partner Gerry Newman, who was deputising for the injured Bobby Coonan, Captain Christy quickly established a clear-cut advantage over his closest pursuers, Bruslee and Game Spirit.

Maintaining the pace and jumping cleanly and fast, Captain Christy had an eight lengths' advantage over his rival of old, Bula, as they turned for home on the first circuit.

Bula, who had been expected by many to keep in close touch with his Irish opponent throughout and then produce a decisive turn of foot on the run-in, found Captain Christy's relentless gallop too much for him, fully three-quarters of a mile out, and from that point he gradually began to lose touch.

The only time he looked to be in with a chance was when Captain Christy misjudged the fourth from last, almost unshipping the 21-year-old Newman.

Captain Christy, who made no other errors, is now a clear favourite with all the leading firms for the Cheltenham Gold Cup, in which his rivals are likely to include the stablemates Ten Up and Brown Lad, as well as Bula.

Bula's stable companion Lanzarote, kept himself at the forefront of the Champion Hurdle picture with an easily gained success in the William Hill Christmas Hurdle. Always travelling well within himself at the head of affairs, Lanzarote forged clear two flights from home and quickly put daylight between himself and his nearest pursuers, Sunyboy and Tree Tangle.

The principal event to-day is Leopardstown's Irish Sweeps Hurdle, in which Bannow Rambler, Night Nurse and Comedy of Errors are all likely to be in close contention for favouritism.

I am prepared to take a chance with the Derek Kent-trained *Navigation*, an ex-New Zealand gelding who put up a highly encouraging performance early this month when touched off in the final 50 yards of the Cheltenham Trial Hurdle by the fitter Sea Pigeon.

Navigation, who is sure to have derived considerable benefit from that race, in which Comedy of Errors was six lengths behind in third place, appeals as a fine each-way proposition.

Best bet of the day at home could be the progressive *Vespucci*, among the runners for Div. I, Part I of the Egham Novices Hurdle (11.45) at Kempton.

LEOPARDSTOWN
IRISH SWEEPS HURDLE
Navigation***

KEMPTON
11.45—Vespucci**
12.15—Gay Signal
12.45—Poohbear*
1.15—Light Infantry
1.45—Money Market
2.20—Well Briefed
2.50—Nagari
3.20—Tarot

NEWCASTLE
12.30—Arctic Mist
1.00—Cromwell Road
1.30—Forest King
2.00—Stay-Bell
2.35—Tanora
3.05—Sun Lion

This week's SE dealings

Wednesday, December 24 ... 2,274 | Monday, December 22 ... 5,343 | Thursday, December 18 ... 5,472
Tuesday, December 23 ... 5,027 | Friday, December 19 ... 4,823 | Wednesday, December 17 ... 4,874

BRITISH FUNDS (340)

PUBLIC BDS. ETC.—U.K. (17)

COMMONWEALTH GOVT. AND PROVINCIAL SECURITIES (7)

INT. BANK STOCK (—)

CORPN. & COUNTY—U.K. (13)

SHORT DATED BONDS

COMMONWEALTH CORPN. STOCKS (—)

FOREIGN STKS., BDS., ETC. (1)

U.K. AND COMMONWEALTH RAILWAYS (1)

BANKS & DISCOUNT COS. (100)

BREWERIES & DISTILLS. (63)

CANALS & DOCKS (1)

COMMERCIAL INDUSTL. (1238)

A—B

C—D

COMMODITIES/Review of the week

Cocoa falls back from peak

BY OUR COMMODITIES STAFF

COCOA PRICES fell back sharply on Wednesday in the morning-only trading session prior to the Christmas holiday. The March position lost £14.25 a tonne, to £716.25, £7 down on the previous Friday.

The decline from the year's high, reached on Tuesday, was attributed to an overnight fall in the New York market and a technical reaction after recent substantial gains.

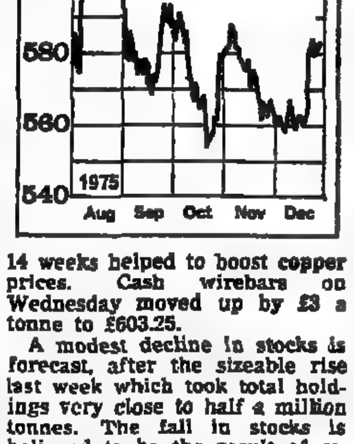
"Booksquaring" and profit-taking prior to the Christmas holiday also contributed to the downward trend.

London merchants, Gill and Duffus, in their first estimate of the 1975/76 supply-demand balance predicted that there would be a surplus of only 24,000 tonnes, which meant "no significant additions to world stocks could be expected."

The report said there was a projected 5.5 per cent. increase in grindings and an anticipated decline of nearly 2 per cent. in production.

The squeeze on nearby supplies available remains an influence on the market.

Predictions of a fall in warehouse stocks for the first time in 14 weeks helped to boost copper prices. Cash wirebars on Wednesday moved up by £3 a tonne to £603.25.



A modest decline in stocks is forecast, after the sizeable rise last week which took total holdings very close to half a million tonnes. The fall in stocks is believed to be the result of recent shipments of cathodes to the U.S.

An indefinite strike at Southern Peru's Toquepala mine helped the generally more "bullish" sentiment encouraged by covering of "short" sales prior to the holiday closure.

Tin values held firm in London, despite a fall in the Straits tin price in Penang to $M943.125 a picul before recovering to $M953.

Continued producer support buying also helped zinc prices on the London Metal Exchange to end the week higher. Lead values moved up as well, following the trend in copper and zinc. Silver prices jumped sharply on Monday, following the strong upward tone in New York and the rise in gold. The London bullion spot quotation was fixed on Wednesday morning at 208.7p an ounce, 8.3p up on the previous Friday's close.

The London daily Sugar price was cut by £2 a ton to £158, on Wednesday, although the whites quotation was unchanged at £177. Profit-taking before the holiday brought downward pressure on the futures market.

However, London merchants, C. Czarnikow, claimed in their weekly review that sugar output in 1975/76 would not take the substantial leap forward predicted in some quarters.

WEEKLY PRICE CHANGES

All commodity market reports on this page refer to trading on December 24, unless otherwise stated. Trading in a number of markets will resume on Monday. However, Grimsby fish market will remain closed until January 5, when reports from the International Coffee Organisation and International Cocoa Organisation will also resume.

MARKET REPORTS

BASE METALS

COPPER—Up on balance in morning-only trading on the London Metal Exchange. Speculative demand in pre-market dealings, prompted by early forecasts that there will be a modest fall in the record warehouse stocks figure (the first decline for 14 weeks), pushed forward metal up to £606. In the rings, however, profit-taking and book-squaring in front of the holiday closure took the price down to £602.5. But on the morning Kerb it ended at £604.5. Turnover, 10,450 tonnes.

COPPER	a.m. Official	+ or —	p.m. Unofficial	+ or — †
	£	£	£	£
Wirebars				
Cash	586-.5	+3.5	—	+5.5
3 months	603-.5	+3.5	—	+5
Settlem'nt	586.5	+3.5	—	......
Cathodes				
Cash	571-.5	+6.5	—	+5.75

Gulf to Salonika at $10 f.i.o. for Jan. and from same loading area to Netherlands at $5 f.i.o. for Jan. A cargo of wheat was fixed from La Pallice to Chittagong or Chalna at $14.30 f.i.o. for Jan.

In coal section, business developed from Robertsbank to Japan at $5.05 free discharge for Jan. and from Hampton Roads to Pohang at $8.10 free discharge for Jan. Overnight, a cargo of heavy grain was arranged from Queensland to Japan at $12.75 f.i.o. for Jan.

Timecharterers fixed a vessel of 28,328 long d.w.t. for a voyage from S. Japan to Djeddah, via S. Korea at $4.55 Jan.

SILVER

Silver was fixed 1.2p an ounce lower for spot delivery in the London bullion market on Wednesday, at 208.7p. U.S. cent equivalents of the fixing levels were: spot 422.0c, down 1.7c; three-month 429.4c, down 1.8c; six-month 436.7c, down 1.8c; and 12-month 456.6c, down 1.5c. The metal closed at 208.2-209.2p (421½-423½c) in quiet trading.

COCOA

COFFEE

GRAINS

FREIGHTS

RUBBER

SOYABEAN MEAL

SUGAR

WOOL FUTURES

COTTON

JUTE

respective shipment periods. Yarn and cloth quiet.

LONDON—Quiet. Bangladesh White "C" grade Dec.-Jan. £195. "D" grade Dec.-Jan. £188.00. A long ton.

CALCUTTA—Steady yesterday. Indian spot Rs.489.00 (Rs.489.00 Wednesday). Dundee Daisee spot Rs.439.00 values (Rs.439.00 Wednesday). A bale of 400 lbs.

★

COPRA—Philippines: Jan. and Feb. $207.50 resellers per tonne c.i.f. North Euro ports.

Guyana property Bill changed

The Guyana Parliament has passed a Bill amending the constitutional requirement for prompt and adequate compensation and right of access to the court in respect of properties compulsorily acquired by the State.

The Assembly approved the measure introduced by Mr. Fred Wills, the Foreign and Justice Minister, making 1939 the referable date to evaluate the market price of any property to be taken over. However, in making compensation, the Government is required to take due consideration of the purchase price paid by the present owner as well as any improvements carried out since 1939.

Brazil rubber expansion plan

RIO DE JANEIRO, Dec. 24.

BRAZIL WILL plant 200,000 hectares with rubber trees under its programme—Probor Two—a spokesman for the Rubber superintendency (Sudhevea) told Reuter.

Probor Two, due to be launched next year, is expected to give Brazil self-sufficiency in natural rubber within 12 to 15 years.

Brazil's output next year should rise to 24,000-25,000 tonnes of crude rubber from around 22,000 tonnes in 1975. Natural rubber imports this year will total about 50,000 tonnes.

Internal demand for natural rubber is expected to be around 220,000 tonnes a year by the time Brazil reaches self-sufficiency, the official added.

FINANCIAL TIMES

Dec. 24	Dec. 23	Month ago	Year ago
172.98	172.86	168.00	183.02

(Base: July 1, 1952=100)

REUTER'S

DOW JONES

MOODY'S

U.S. Markets

Copper up on LME stocks speculation

NEW YORK, Dec. 24.

PRECIOUS metals closed mixed as pre-holiday evening up dominated. Cocoa, coffee and sugar declined on steady Commission House liquidation, while copper rallied on speculative buying in anticipation of a decrease in LME stocks. Grain futures also rose on light speculative shortcovering, Bache reports.

Cocoa—Ghana spot 74 nom. (76 nom.). Bahia spot 69 nom. (71 nom.). March 62.22 (63.30). May 59.32 (60.30). July 57.62, Sept. 56.17, Dec. 54.32, March 53.22, May unquoted. Sales: 871.

Coffee—"C" Contract: March 87.50 (87.75). May 87.75-87.90 (87.90). July 88.63, Sept. 89.25, Dec. 89.90-90.15. Sales: 98.

Copper—Dec. 55.60 (55.00). Jan. 55.60 (55.00 settlements). Feb. 56.00, March 56.30, May 57.30. Sales 945.

Cotton—March 61.15-61.40 (60.65). May 61.70-61.75 (61.00). July 61.50-61.80. Oct. 58.90-59.10. Dec. 57.10 March 57.45-57.60, May 57.55-57.90. Sales 2,250.

Gold—Dec. 141.00 (141.00). Jan. 141.40 (141.40). Feb. 141.70, April 143.10, June 144.50, Aug. 146.10, Oct. 147.70, Dec. 149.40, Feb. 151.10, April 152.90. Sales 1,310.

Greasewool—Spot 170.0 nom. (same). March 164.0-170.0 (164.0). May 162.0-169.0 (162.0). July 161.0-161.5, Oct. 160.0-160.5, Dec. 160.0-160.5, March 159.0-160.5, May 154 bid.

†Lard—Chicago loose 17½ (18 nom.) NY prime steam 19 asked (19½ asked).

††Maize—March 263¾-263 (263½-263¼) May 268¾ (269-269¼). July 271¼-271½, Sept. 269¼, Dec. 262¼, March 269.

‡Platinum—Jan. 148.00 (147.50). April 150.40 (149.70). July 153.30, Oct. 156.40 asked, Jan. 159.50 asked, April 162.55 asked. Sales: 223.

‡‡Silver—Spot 427.00 (428.00). Dec. 425.90 (424.80). Jan. 425.80 (425.00). Feb. 429.50, March 431.30, May 438.10, July 444.70, Sept. 451.30, Dec. 461.40, Jan. 464.70, March 471.50. Sales: 6,350.

Hong-Kong Land 1090 10½
Hudson's Bay Oil and Gas £27?
Husky Oil £14¾
Hutchison International 28½ 9½
ICI (Australia and NZ) 7¼pc (30.11/31) £75
Indonesia Consolidated 6½
Jennings Bros. 50
Metal Exploration 35
National Bank of Australasia (Aust. Reg.) Nov. 135. Do Ord. 294
Nederland Bank (S.A.) 172 67 5
Noranda Mines A £22¼
Oil Search 28
Pancontinental Mining 910
Peco Wallsend 440
Peoples Dept. Stores 260
Poseidon 195
Santos Oil 125
Sears Roebuck $US66¼
South African Druggists 105
Thiess Hldgs. 245
TriContinental £15¼
Unilever N.V. (Fl. 20) £36¼
Vulcan Industries 162
Wheelock Marden A 51
Woodside Burmah 140
Woolworth Hldgs. 250

DECEMBER 22

Alexander Fund 450
Australian Mining and Smelting 136
Commercial Hldgs. 62
Deutsche Bank DM340
Exxon Corp. £72½
Highveld Steel 117
Hutchison Intl. 29
Jardine Matheson 367
Lend Lease Corp. 292
Mannesman DM318½
Matine 600

Mid East Minerals 27
National Bk. Australasia (Aust. Reg.) New 133
Ocean Resources 20
Pan Ocean Oil 800
Poseidon 190 87
Selangor Coconuts 33½

(By permission of the Stock Exchange Council)

NEW HIGHS AND LOWS FOR 1975

The following securities (number in parentheses) among those quoted in the Share Information Service Wednesday attained new highs and lows for 1975.

NEW HIGHS (14)

BRITISH FUNDS (3)
Transport 4pc '72-77 Treas. 13¼pc '97 'A'
Treas. 3½pc '79-81

AMERICANS (1)
Richardson-Merrell

BUILDINGS (1)
Smart (J.)

STORES (1)
Readicut

ENGINEERING (1)
Pegler-Hattersley

FOODS (1)
Linfood

INDUSTRIALS (1)
Macarthy's Pharm.

PROPERTY (2)
Town Centre Waite & Son

TRUSTS (1)
Archimedes Inc.

TEAS (2)
Teith. West Nile

NEW LOWS (7)

ENGINEERING (2)
Beeston Foundry Clifford (C.)

MINES (5)
Buffels. Hampton Areas
Southvaal Kamunting
Western Holdings

RISES AND FALLS YESTERDAY

	Up	Down	Same
British Funds	16	2	59
Corpns. Dominion and Foreign Bonds	3	2	60
Industrials	176	174	1,377
Financial and Prop.	71	69	473
Oils	5	1	28
Plantations	8	7	32
Mines	15	47	99
Recent Issues	4	8	36
Totals	294	289	2,136

ACTIVE STOCKS

ON THE WEEK—

Stock	Denomination	No. of marks	Closing price(p)	Change on week	1975 high	1975 low
Eagle Star 'New'	Nil/pd.	31	14*	−4½	19*	14*
ICI	£1	31	326	−3	330	118
Distillers	50p	25	140	+3	150	65½
Plessey 'New'	Nil/pd.	25	5*	—	5½*	4½*
De Beers Defd.	R0 05	24	295	−4	333	101
Marks & Spencer	25p	23	91	−4	128	47½
Shell Transport	25p	23	302	−6	390	118
"Bats"	25p	22	338	+3	338	164
Midland Bank	£1	22	285	−6	308	122
Barclays Bank	£1	19	290	−11	323	112
BP	£1	19	577	−10	598	190
Wingate Inv.	20p	19	28½	+½	46½	12
Grand Met.	50p	18	76	−1	79	17½
Unilever	25p	18	424	—	428	170
MEPC	25p	17	77	+1	231	53

* Premium.

WEDNESDAY—

Stock	Denomination	No. of marks	Closing price (p)	Change on day	1975 high	1975 low
Distillers	50p	8	140	+1	150	65½
Eagle Star 'New'	Nil/pd.	7	14*	−1	19*	14*
Plessey 'New'	Nil/pd.	7	5*	−½	5½*	4½*
Slater Walker	25p	7	23	+2	108	17
GEC	25p	6	135	—	147	51
ICI	£1	6	326	+1	330	118
Marks & Spencer	25p	6	91	−1	128	47½
Trafalgar House	20p	5	106	−1	122	23
Wingate Invs.	20p	5	28½	+½	46½	12
Cadb'y Schweppes	25p	4	48½	—	55½	17
Grand Met.	50p	4	78	—	79	17½
Lonrho	25p	4	112	+4	159	68
Shell Transport	25p	4	362	—	390	118
"Bats"	25p	3	338	+2	338	164
Camford Eng.	10p	3	48	—	48	21½

The above list of active stocks is based on the number of bargains recorded yesterday in the Official list and under Rule 163(1) (c) and reproduced to-day in Stock Exchange dealings.

* Premium.

Option Report—3-month Call rates

OPTION DEALING DATES

First Dealings	Last Dealings	Last Declaration	For Settlement
Dec. 23	Jan. 6	Mar. 18	Mar. 30
Jan. 8	Jan. 19	Apr. 1	Apr. 13
Jan. 22	Feb. 2	Apr. 14	Apr. 28

"Calls" were dealt last Wednesday in Lex Service, Hollas, MEPC, Campari, Town and City, British Land, Amalgamated Investment, Lonrho, Siemssen Hunter English Property, Distillers, Burmah Oil and Imperial Group. No "puts" were reported, while "doubles" were arranged in Town and City, J. Brown, Hollas, Cons. Gold Fields, Bridon and Burton "A."

Industrials							
A. P. Cement	16	Guardian	20	Spillers	6	Shell	28
Assoc. Leisure	5	G.K.N.	22	Tesco	6	Ultramar	20
Barclays Bank	25	Hawker Sidd.	27	Thorn "A"	20		
Beecham	28	House of Fraser	8	Tube Invest.	27	**Mines**	
Boots Drug	12	I.C.I.	21	Unilever	40	Anglo Amer.	60
Bowaters	16	"Imps"	7	Utd. Drapery	10	Charter Cons.	19
B.A.T.	30	I.C.L.	7	Vickers	15	Chart'rh'll Plc.	6
British Leyland	7	Inveresk	7	Williams Hud'n	4	Cons Gold.	18
BOC Int.	5½	Legal & General	15	Woolworths	6	De Beers Def.	55
Burton 'A'	7	Ladbroke	11			F. S. Geduld	550
Cadburys	6	Lloyds Bank	22	**Property**		Great Boulder	12
Courtaulds	11	"Lofs."	5½	Amal. Inv.	4	Hampton Areas	14
Debenhams	8	"Mams"	6	Brit. Land	4	Hampton Prop.	4
Distillers	15	Marks & Spncer	11	Cap. Counties	4½	Kloof	140
Dunlop	6½	Midland Bank	25	E.P.	8	Lonrho	15
Eagle Star	15	Nat'l West Bank	22	Land Securities	18	Loraine	85
E.M.I.	17	"do" Warrants	10	MEPC	9	Poseidon	55
Gen. Accident	16	P & O Dfd.	11	Peachey	6	Pres. Steyn	275
Gen. Electric	15	Plessey	8	Town & City	4½	Rio T.Zinc	20
Glaxo	35	R.H.M.	6	Town & Comm.	4	Welkom	65
Grand Met	7	Rank Org. 'A'	16			West Areas	75
G.U.S. 'A'	17	Reed Int'l	25	**Oils**		Western M'ng.	18
		Rothmans	4	Brit. Petroleum	42		
		Slater Walker	5½	Burmah Oil	4		

LEADERS AND LAGGARDS

The following table shows the percentage changes* which have taken place since December 31, 1974, in the principal equity sections of the F.T.-Actuaries Share Indices. It also contains the F.T. Gold Mines Index.

Contracting and Construction	+197.27	Machine Tools	+123.44
Entertainment and Catering	+196.00	Electricals	+121.83
Insurance (Brokers)	+191.82	Consumer Goods (Non-Durable) Group	+119.29
Motors and Distributors	+186.21	Investment Trust	+118.49
Building Materials	+181.93	Hire Purchase	+115.29
Electronics, Radio and TV	+177.39	Financial Group	+114.47
Consumer Goods (Durable) Group	+175.40	Insurance (Composite)	+113.08
Oil	+173.27	Stores	+111.64
Toys and Games	+167.22	Packaging and Paper	+111.59
Newspapers and Publishing	+163.28	Wines and Spirits	+ 99.99
Engineering (General)	+[illegible]	Discount Houses	+ 92.20
Capital Goods Group	+149.59	Breweries	+ 91.46
Household Goods	+147.74	Tobacco	+ 80.03
Chemicals	+145.59	Office Equipment	+ 76.51
Food Manufacturing	+143.82	Property	+ 66.08
Merchant Banks, Issuing Houses	+135.98	Shipping	+ 63.28
500 Share Index	+[illegible]	Teas	+ 52.99
Insurance (Life)	+134.25	Tins	+ 44.27
Banks	+133.83	Rubbers	+ 31.78
Textiles	+133.47	Mining Finance	+ 25.64
Food Retailing	+131.39	Coppers	−33.32
Engineering (Heavy)	+130.76	Gold Mines F.T.	−34.[illegible]
All-Share Index	+130.06		
Industrial Group	+129.11		

* Percentage changes based on Tuesday, December 23, 1975, Indices.

LOCAL AUTHORITY BOND TABLE

Authority (*telephone number in parentheses*)	Annual gross interest	Interest payable	Minimum sum	Life of bond
	%		£	Year
Barking (01-592 4500)	12	½-year	1,000	2-5
Greenwich (01-854 8888)	12½	½-year	500	3-5
Liverpool (051 227 3911)	12½	½-year	500	3-4
Liverpool (051 227 3911)	12¾	½-year	500	5-7
Manchester (061 236 3377)	12½	½-year	500	3
Oxford (0865 49811)	12½	½-year	5,000	3-5
Reading (0734 55911)	12½	½-year	500	2
Reading (0734 55911)	12¾	½-year	500	3-4
Redbridge (01-478 3020)	12⅝	½-year	1,000	3-5
Sandwell (021 569 2226)	12½	½-year	1,000	2-5
Suffolk Coastal (039 43 3789)	12	½-year	500	3-5
Suffolk Coastal (039 43 3789)	11½	½-year	500	1-2
Thurrock (0375 5122)	11½	½-year	300	1-2
Wandsworth (01-874 6464)	12¾	½-year	5,000	5-7
Wandsworth (01-874 6464)	12⅝	½-year	1,000	5-7
Wrekin (0952 3571)	12½	½-year	2,000	2-5

BUILDING SOCIETY RATES

	Dep.	Share Accnts.	Sub'pn Shares	Variable Term Shares
[Ab]bey National	6.75%	7.00%	8.25%	●8.00%
[Al]liance	6.75%	7.00%	8.25%	‡‡7.75%
[An]glia	6.75%	7.00%	8.25%	‖7.75%
[Bir]mingham Incorporated	6.75%	7.00%	8.25%	—
[Br]adford and Bingley	6.75%	7.00%	§8.25%	—
[Bri]stol and West	6.75%	7.00%	8.00%	—
[Bri]stol Economic	6.75%	7.00%	8.25%	†7.25%
[Ca]rdiff	6.75%	7.50%	8.50%	—
[Ch]elsea	6.75%	7.00%	8.00%	†7.25%
[Ch]eltenham and Gloucester	6.75%	7.00%	—	‡7.75%
[Cit]izens Regency	6.75%	7.25%	8.75%	—
[Cit]y of London	7.00%	7.50%	8.25%	—
[Cit]y and Metropolitan	6.75%	7.25%	7.50%	¶8.00%
[Co]ventry Economic	6.75%	7.00%	8.75%	§§7.75%
[Ga]teway	6.75%	7.00%	8.25%	¶7.75%
[Gr]eenwich	6.00%	7.10%	8.50%	—
[Gu]ardian	6.75%	7.25%	7.50%	†7.65%
[Ha]lifax	6.75%	7.00%	8.25%	¶7.75%
[Ha]stings and Thanet	6.75%	7.00%	8.25%	—
[He]arts of Oak & Enfield	6.75%	7.25%	8.50%	—
[He]ndon	7.00%	7.30%	—	*8.05%
[Hu]ddersfield and Bradford	6.75%	7.00%	8.50%	♡7.75%
[Lea]mington Spa	6.87%	7.12%	9.50%	7.50%
[Lee]ds and Holbeck	6.75%	7.00%	8.25%	—
[Lee]ds Permanent	6.75%	7.00%	8.25%	—
[Lea]k Westbourne and ECBS	6.75%	7.00%	8.25%	¶¶7.75%
[Lei]cester	6.75%	7.00%	8.25%	††7.75%
[Liv]erpool	6.75%	7.00%	8.30%	*7.50%
[Ma]gnet	6.75%	7.00%	7.75%	♡7.75%
[Ma]rnington Permanent	6.45%	7.65%	—	—
[Nat]ional Counties	7.00%	7.25%	8.25%	◇7.75%
[Nat]ionwide	6.75%	7.00%	7.50%	✤8.25%
[Ne]wcastle Permanent	6.75%	**7.00%	7.75%	8.00%
[Nor]thern Rock	6.75%	7.00%	8.00%	‡7.75%
[Nor]th London	7.50%	8.00%	—	✤8.95%
[Nor]wich	6.75%	7.00%	8.25%	—
[Pai]sley	6.75%	7.00%	7.50%	¶¶7.50%
[Pro]perty Owners	6.75%	7.50%	8.50%	†7.85%
[Pro]vincial	6.75%	7.00%	8.25%	7.75%
[Sk]ipton	6.75%	7.00%	8.25%	†7.25%
[Su]ssex Mutual	6.75%	◇7.30%	—	—
[To]wn and Country	6.50%	7.00%	10.00%	¶¶7.75%
[Wo]olwich Equitable	6.75%	7.00%	8.25%	¶7.75%

[*M]inimum £2,000 6 mths. notice. † 3 mths. ‡ 3 yrs. § 3 yrs. in-[clu]ding bonus. ¶ Min. £500 2 yrs. fixed. ‖ 4th issue 2 yrs. ● 2 yrs. [ove]r £5,250. ** 7.50% over £5,000. †† 2-3 yrs. ‡‡ 2 yrs. §§ 7.50% [...] mths. notice after 9 mths. ¶¶ 2 yrs. £1,000 min. ♡ Min. £100 2 [yrs] fixed. ◇ Min. £1,000 6 mths. notice. ✤ 3 yrs. over £5,000. ◇ £5,000 and over 7.35%. ‡ Min. £1,000 3 mths. notice.

STOCK EXCHANGE REPORT

Uneventful close to the Christmas trading Account

Share index up 0.6 at 363.4—Gilts improve afresh

Account Dealing Dates

Option *First Dealings	Declarations	Last Dealings	Account Day
Dec. 12	Dec. 23	Dec. 24	Jan. 7
Dec. 29	Jan. 8	Jan. 9	Jan. 20
Jan. 12	Jan. 22	Jan. 23	Feb. 3

* "New time" dealings may take place from 9.30 a.m. two business days earlier.

Apart from some noteworthy movements in the companies involved in the McLeod Russel-James Finlay reorganisation plan, the Christmas Eve trading session came to a quiet and uneventful end. However, with the official House close brought forward to noon there was a fair amount of end-Account book squaring taking place. Needless to say, in these circumstances there was no decided trend. A few minor improvements in the leaders left the FT 30-share index up 0.6 at 363.4 at the close, only slightly reducing the fall on the three-day period to 5.9, but leaving a rise on the Account of 5.3.

Expectations of ¼ per cent. reduction in Minimum Lending Rate to 11¼ per cent., confirmed after the close, saw British Funds improve a little further. The Government Securities hardened 0.03 more to 59.39, making an uninterrupted rise of 0.98 over the last seven trading days.

Changes were few and far between in second-line equities, although favourable Press comment prompted modest improvements here and there. The FT-Actuaries All-Share index was a mere 0.1 per cent. down at 53.79. Official markings were 2,374.

MLR helps gilts

Still basically underpinned by hopes of a fall in Minimum Lending Rate to 11¼ per cent., confirmed well after trading had ceased, the market in Gilt-edged made further, although less general, progress. Treasury 11½ per cent., 1981, achieved the outstanding rise of 7/16 to 99⅞, helped by a none too free stock situation, but other gains failed to exceed ¼ and some issues actually stayed at Tuesday's list levels. The short "tap" remained at 96, while the long "tap" hardened 1/16 to 89, both being the assumed unchanged levels for supplies from the Government broker. Southern Rhodesians underwent little alteration apart from the 6 per cent., 1978-81, issue which rose two points to £59.

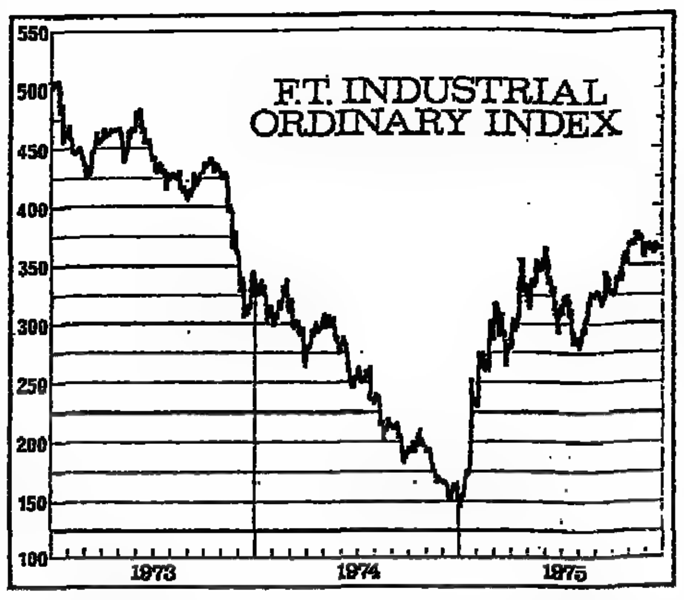
The investment currency premium failed to hold a slightly higher early rate of 113¾ per cent., drifting gradually lower to close a net point down at 112½ per cent. Among overseas stocks, Penn-Central reacted 20 to 93p, still reflecting New York advices, while Romanian 4 per cent. Consols eased ¼ to £17½. Wednesday's SE conversion factor was 0.6048 (0.6023).

Slater Walker rally

Very little interest was shown in the Banking sector, which finished little changed. Slater Walker managed to recover 2 to 23p following the previous evening's fall of 3 on the company's shock decision to revoke the previously announced interim dividend which was due to be paid on January 8. Elsewhere in Merchant Banks, Anglo-Continental hardened 2 to 45p, but Guinness Peat softened 2 to 174p and Hambros 3 to 190p. Lloyds, 2 better at 230p, provided the only movement in Home Banks: the company's results are due to be announced on February 20, while National Westminster, unaltered at 240p, has annual figures due on February 24. Provident Financial stayed dull in Hire Purchases, slipping 2 more to 74p. Idle Insurances were virtually unaltered on Tuesday's closing levels. Brentnall Beard receded 5 to 83p in Lloyds brokers despite the profits improvement.

News of the joint venture at Port Rashid failed to enthuse R. Costain, a penny easier at 285p, and Taylor Woodrow, 2 cheaper at 302p.

ICI typified market conditions, finishing a penny firmer at 326p after a light trade, while Norsk Hydro recouped a point at £37.



Stores remain quiet

Stores closed narrowly irregular following a small business. Burton "A," 44p, and Marks and Spencer, 91p, shed a penny apiece, while British Home Stores receded 2 to 325p. Allied Retailers, at 108p, gave up the previous day's Press-inspired rise of 2; the interim statement is expected on January 5. Of the few firm spots, B. Paradise edged up 2 to 30p. Mail Orders recovered their composure; MFI Warehouses hardened a penny to 36p.

Revived small investment demand accounted for a rise of 4 to 164p in Pegler-Hattersley. Engineerings, otherwise, moved narrowly in each direction, Peter Brotherhood improving 3 to 70p, Redman Heenan 1½ to 18½p and Bronx 2 to 42p, but Beeston Foundry losing 3 to a low for the year of 30p and Francis Industries sustaining a similar loss, at 14p.

Foods closed little changed after a quiet trade. Tate and Lyle were typical, finishing at the overnight level of 233p, after 232p. Associated Dairies, at 207p, regained the previous day's loss of a penny, while modest improvements were also recorded by Rubislaw Investment, 28p, and Linfood, 235p. Of the casualties, Cullens Stores eased 2 to 93p and Joseph Stocks 3 to 75p. On the bid situation, Clover Dairies finished a penny easier at 147p, compared with the bid terms worth approximately 160p per share from Northern Foods, which closed a penny easier at 72p.

Queens Moat Houses were steady in Hotels at 7½ awaiting Monday's interim report.

Miscellaneous Industrial leaders held close to Tuesday's closing levels. Wilkinson Match managed to harden 2 to 145p ahead of interim results, due January 6. Elsewhere, Hollis Bros. and E.S.A., 50p, and Radiant Metal, 24p, both put on 2 on consideration of half-year results. Norvic Securities rallied 3 to 31p, while White Child and Beney improved similarly to 49p. However, English China Clays shed 2 to 65p ahead of results, expected January 15. Wade Potteries eased 3 to 25p. Marshall's Universal were quoted ex scrip issue at 116½p.

British Leyland eased a penny to 26p on the staff changes at Leyland Cars. Group Lotus were also a penny cheaper, at 23p, and Lucas were 2 off at 177p. The only notable movement in Garages was the fall of 4 to 100p in Pride and Clarke.

End-Account selling took a toll on Thomson, down 5 at 216p, but there was little else of note in Newspapers. In recognition of marginally higher interim profits, Wilson Bros. improved to 16½p. Paper/Printings were highlighted by Inveresk which, on new-time demand, rose 3 to 65½p.

British Anzani rise

English Property, a good market of late on the encouraging half-time report, finished fractionally harder at 38p, but British Land came back a penny to 19½p. Scattered small gains appeared elsewhere but British Anzani rose 3 to 15½p in response to favourable Press comment. Property Holding and Investment, which rose sharply last week on the good interim report, closed 5 higher at 205p. C. H. Beazer, 116p, and Waite and Son, 70p, edged up 3 apiece.

Sporadic U.S. selling overnight failed to upset British Petroleum, which stayed at 577p, and Shell were also unchanged at 362p. Burmah, on the other hand, eased 1 to 28p, but continuing overseas influences put Royal Dutch up ½ more to £22½. Mirroring domestic market advices, Woodside-Burmah rose 4 to 144p.

One of the few bright features was provided by Lonrho, which advanced 7 to 115p on "new-time" support. Elsewhere in Overseas Traders, South African Distilleries and Wines improved 5 to 440p, but Inchcape, with interim results expected on January 22, eased 3 to 340p.

In Trusts and Financials, Jardine Securities rose 7 to 120p, while Throgmorton Growth Capital, 51p, and Mass. Mort. and Realty, 775p, put on 4 and 40 respectively.

Apart from Reardon Smith 'A', 17 up at 92p, Shippings had an easier bias. P and O Deferred closed a penny easier at 93p.

Of the few sparse movements in Textiles, Textured Jersey reacted 2 to 21p on end-Account profit-taking and Nova (Jersey) lost 1 also to 21p following the midway slump in profits. Courtaulds edged higher with other equity leaders, gaining the turn to 143p. Likewise in Tobaccos, Bats hardened 2 to 335p.

Tiger Oats featured South African Industrials with a 20 rise to 640p.

Consideration of the agreements reached by James Finlay and McLeod Russel on the basis for the reorganisation of their respective shareholdings in four associated tea concerns caused a fair amount of interest in the companies concerned and a revaluation of their market capitalisation: James Finlay closed 5 off at 125p, after 120p, for a two-day fall of 9, while Teith and West Nile were raised 50 apiece to 1975 peaks of 380p on the J.F. bid terms. By way of contrast, Cessnock were lowered 20 to 220p and Consolidated Tea and Lands 60 to 300p in thin markets on the bids from McLeod Russel, which were temporarily suspended late on Tuesday at 130p at the company's request.

Quietly mixed mines

Mining shares made a mixed showing in quiet trading although falls tended to outnumber rises. Gold shares drifted in line with initial easiness of the bullion price losses ranging to a half-point in Hartebeest at £16½, while Loraine were 2 off at 175p following the chairman's cautious statement.

The Gold Mines index was 1.7 lower at 230.2 but still 4.1 up on the three-day period while gold was finally unaltered at $140.75 per ounce on the day although $1.30 up over the longer period after trading at $153.75 on Monday following news that the Central Banks would be able to buy bullion offered for sale by the International Monetary Fund.

Financials generally mirrored Golds with De Beers 3 off at 295p owing to further profit-taking after the rise which followed last week's gem price increase.

Despite firmer home markets overnight and a modest initial rise in the investment premium, Australian issues showed little inclination to move higher, the exception being coal stocks where Utah Mining put on 25 at 975 and Thiess Holdings were 17 to the good at 250p.

Conzinc Riotinto of Australia added 10 at 265p following news of the possible bid for IO Petroleum. Hampton Areas fell 4 to 62p reflecting the poor first half results.

Elsewhere, Platinums and Coppers were untested, while Tins were lower where changed reflecting the recent easier tone of the metal. Northgate added to 260p and Sabina were 5½ better at 35p, both reflecting firmness in Canada.

FINANCIAL TIMES STOCK INDICES

—	Dec. 24	Dec. 23	Dec. 22	Dec. 19	Dec. 18	Dec. 17	A year ago
Government Secs.	59.39	59.36	59.23	58.86	58.71	58.64	60.44
Fixed Interest	59.10	59.13	59.08	58.89	58.88	58.66	61.09
Industrial Ordinary	363.4	362.8	363.7	369.3	368.7	368.3	158.6
Gold Mines	230.2	231.9	242.7	236.1	230.8	231.1	383.0
Ord. Div. Yield %	5.74	5.76	5.75	5.67	5.67	5.69	12.58
Earnings Y'ld % (full)	16.03	16.06	16.04	15.79	15.82	15.86	34.30
P/E Ratio (net) (*)	9.15	9.15	9.15	9.23	9.30	9.18	4.07
Dealings marked	2,374	5,027	5,345	4,825	5,472	4,674	3,038
Equity turnover £m.	—	†		46.36	49.98	49.96	73.92	30.26
Equity bargains total	—	†	13,094	12,047	12,107	12,640	4,906

10 a.m. 362.2. 11 a.m. 362.4. Noon 362.6.
Latest Index 01-246 8026.
(a) Based on 52 per cent. corporation tax. (b) Nil=9.03.
Basis 100 Govt. Secs. 15/10/26. Fixed Int. 1928. Ind. Ord. 1/7/35. Gold Mines 12/9/55. SE Activity July-Dec. 1942. † Not available.

HIGHS AND LOWS

—	1975 High	1975 Low	Since Compilation High	Since Compilation Low
Govt. Secs.	62.34 (30/5)	49.18 (3/1)	127.4 (9/1/35)	49.18 (3/1/75)
Fixed Int.	62.31 (21/5)	50.53 (3/1)	150.4 (28/11/47)	50.53 (3/1/75)
Ind. Ord.	377.8 (14/11)	146.0 (6/1)	543.6 (30/5/72)	49.4 (26/6/40)
Gold Mines	442.3 (22/5)	218.4 (1/12)	442.3 (22/5/75)	43.5 (26/10/71)

S.E. ACTIVITY

—	Dec. 24	Dec. 23
Daily—		
Gilt-Edged	75.2	166.9
Industrials	76.3	159.3
Speculative	31.4	41.4
Totals	64.0	114.4
5-day Av'rge		
Gilt-Edged	159.8	165.1
Industrials	151.0	169.2
Speculative	35.8	38.4
Totals	104.9	116.3

F.T.—ACTUARIES SHARE INDICES

These indices are the joint compilation of the Financial Times, The Institute of Actuaries and the Faculty of Actuaries

EQUITY GROUPS — GROUPS & SUB-SECTIONS. Figures in parentheses show number of stocks per section.

	Equity groups	Wed. Dec. 24 Index No.	Day's Change %	Est. Earnings Yield % (Max. Corp. Tax 52%)	Gross Div. Yield % (ACT at 35%)	Est. P/E Ratio (net) Corp. Tax 52%	Est. P/E Ratio (nil) Corp. Tax 52%	Tue. Dec. 23 Index No.	Mon. Dec. 22 Index No.	Fri. Dec. 19 Index No.	Thur. Dec. 12 Index No.	Year ago (approx.) Index No.	1975 High	1975 Low	Since Compilation High	Since Compilation Low
1	CAPITAL GOODS (178)	138.16	−0.1	16.70	6.09	9.01	9.01	138.55	139.15	140.19	139.16	54.52	145.28 (18/11)	51.78 (6/1)	206.57 (4/5/72)	50.71 (13/12/74)
2	Building Materials (29)	136.75	—	12.66	6.14	12.07	12.06	136.68	136.73	137.43	136.89	47.62	138.19 (18/11)	45.11 (6/1)	233.84 (2/5/72)	44.27 (11/12/74)
3	Contracting, Construction (23)	240.91	−0.4	14.84	3.99	10.42	10.42	241.92	242.18	242.81	240.50	81.01	263.54 (18/11)	74.74 (6/1)	389.33 (19/5/72)	71.48 (12/12/74)
4	Electricals (16)	233.52	−0.2	18.45	5.09	7.96	7.96	233.86	237.27	241.49	240.91	99.85	254.66 (18/11)	98.49 (2/1)	350.04 (4/5/72)	84.71
5	Engineering (Heavy) (13)	157.02	−0.1	20.62	7.47	7.59	7.59	156.87	158.30	159.62	159.11	68.05	164.07 (19/11)	64.39 (6/1)	202.57	64.39
6	Engineering (General) (63)	122.17	−0.1	18.03	6.91	8.32	8.32	122.27	122.95	123.53	122.45	48.38	123.53 (19/12)	45.45 (6/1)	163.59 (4/5/72)	45.45 (6/1/75)
7	Machine and Other Tools (9)	48.69	−0.3	17.34	8.67	10.59	10.59	48.83	48.64	49.45	49.55	21.54	50.91 (21/11)	20.11 (2/1)	136.70 (4/7/60)	19.96 (13/12/74)
8	Miscellaneous (25)	118.21	−0.5	17.62	6.99	8.62	8.62	118.61	118.89	119.07	118.55	53.65	121.76 (6/6)	49.65 (6/1)	177.41 (27/4/72)	48.65 (6/1/75)
9	CONSUMER GOODS (DURABLE) (56)	116.14	—	15.92	5.35	9.47	9.46	116.19	116.61	117.48	116.81	41.49	117.48 (19/12)	38.39 (6/1)	227.78 (21/7/72)	38.39 (6/1/75)
10	Electronics, Radio TV etc. (15)	151.73	−0.2	14.85	4.07	10.42	10.41	151.94	152.72	155.48	152.08	45.69	155.48 (19/12)	44.28 (6/1)	257.41 (19/5/72)	42.85 (12/12/74)
11	Household Goods (14)	165.13	+0.1	14.82	6.43	9.91	9.88	164.92	165.50	165.42	165.04	65.87	166.90 (18/11)	64.55 (6/1)	265.28	[illegible] (17/12/74)
12	Motors and Distributors (27)	66.88	+0.1	18.98	7.00	8.09	8.09	66.83	67.17	67.74	67.79	23.65	70.25 (18/11)	19.91 (6/1)	170.59 (15/1/69)	19.91 (6/1/75)
13	CONSUMER GOODS (NON-DURABLE) (168)	145.56	—	13.67	5.97	10.79	10.69	146.65	146.97	147.46	146.60	65.19	152.28 (18/11)	61.98 (6/1)	226.08 (16/2/72)	61.41 (13/12/74)
14	Breweries (15)	155.59	−0.3	13.62	6.75	11.12	11.12	156.04	156.76	158.49	158.95	78.25	172.53 (18/11)	75.58 (6/1)	281.67 (22/11/72)	69.47 (13/12/74)
15	Wines and Spirits (7)	171.82	+1.5	10.77	5.87	14.09	14.09	169.65	167.56	168.74	170.30	81.52	177.94 (9/7)	80.42 (6/1)	257.40 (13/7/72)	78.61 (13/12/74)
16	Entertainment, Catering (16)	182.94	—	11.86	6.65	13.51	12.87	182.93	183.49	184.76	184.75	61.12	187.50 (16/12)	56.28 (6/1)	329.99 (12/12/72)	54.87 (13/7/74)
17	Food Manufacturing (22)	158.90	—	13.39	5.16	10.46	10.38	158.97	158.61	160.09	158.93	64.35	165.80 (12/11)	62.05 (2/1)	211.65 (1/5/72)	59.78 (11/12/74)
18	Food Retailing (16)	139.72	−0.1	11.14	4.95	13.05	13.05	139.82	141.43	145.37	145.76	59.38	155.88 (10/11)	57.16 (2/1)	236.08 (15/8/72)	54.25 (11/12/74)
19	Newspapers, Publishing (15)	158.00	−0.6	14.46	6.40	10.38	10.36	159.02	159.90	160.92	160.39	59.99	161.96 (3/12)	55.08 (6/1)	350.29 (18/1/72)	55.08 (6/1/75)
20	Packaging and Paper (13)	101.68	+0.3	21.70	7.51	6.86	6.86	101.35	101.46	102.17	101.90	48.04	107.12 (30/6)	43.46 (6/1)	135.69 (22/4/72)	43.46 (6/1/75)
21	Stores (33)	119.20	−0.2	12.66	5.67	12.06	12.06	119.47	120.39	121.68	120.93	56.60	132.94 (24/10)	52.65 (6/1)	204.39 (16/2/72)	52.65 (6/1/75)
22	Textiles (22)	156.96	—	16.17	6.68	8.49	7.96	156.96	156.92	160.21	159.64	66.95	162.58 (18/11)	62.91 (6/1)	253.72 (17/9/69)	62.88 (11/12/74)
23	Tobaccos (3)	214.87	—	16.16	6.26	9.42	9.42	214.97	214.21	214.31	210.45	117.07	218.96 (12/11)	109.92 (6/1)	339.16 (2/2/72)	94.34 (13/6/62)
24	Toys and Games (6)	61.09	−0.7	23.41	5.50	5.98	5.98	61.54	61.67	62.43	62.54	22.91	63.76 (30/11)	20.92 (6/1)	135.72 (16/1/70)	20.92 (6/1/75)
	OTHER GROUPS (94)															
25	Chemicals (24)	193.16	−0.1	14.50	4.99	9.67	9.67	193.50	194.35	195.66	195.67	76.46	196.66 (19/12)	73.14 (6/1)	201.92 (31/1/69)	71.20 (1/12/74)
26	Office Equipment (10)	84.96	+0.2	15.69	6.15	8.94	8.94	84.78	85.14	85.43	86.08	46.52	104.76 (17/4)	45.34 (2/1)	246.06 (1/3/72)	45.34 (2/1/75)
27	Shipping (12)	349.15	−0.3	21.59	6.96	5.92	5.69	350.32	351.00	356.12	355.69	219.59	404.18 (18/11)	194.38 (6/1)	517.00 (6/12/72)	90.80 (29/6/62)
28	Miscellaneous (48)	150.10	−0.4	16.04	7.00	9.16	9.16	150.74	150.90	151.56	150.77	66.44	156.36 (18/11)	60.39 (6/1)	258.83 (2/5/72)	60.39 (6/1/75)
29	INDUSTRIAL GROUP (496)	145.92	−0.1	14.99	5.93	9.78	9.78	146.06	146.59	147.79	147.08	69.60	151.58 (18/11)	59.19 (6/1)	220.17 (1/5/72)	59.01 (13/12/74)
30	OILS (4)	322.84	—	15.59	4.99	7.17	6.49	322.84	325.72	328.32	325.37	117.41	338.18 (18/11)	105.83 (2/1)	431.66 (29/5/69)	87.23 (29/5/62)
31	500 SHARE INDEX	160.66	−0.1	15.08	5.78	9.26	9.01	160.80	161.36	162.83	161.93	67.19	167.07 (18/11)	63.49 (6/1)	227.95 (15/8/72)	63.49 (13/12/74)
32	FINANCIAL GROUP (100)	151.47	—	—	5.56	—	—	151.45	151.36	155.29	155.15	59.70	148.45 (30/6)	56.50 (6/1)	241.41 (1/4/72)	55.88 (13/12/74)
33	Banks (6)	161.33	—	18.06	4.99	8.46	8.46	161.27	161.19	166.83	166.45	64.94	177.11 (5/8)	62.56 (2/1)	288.32 (30/7/72)	62.44 (13/12/74)
34	Discount Houses (9)	166.62	+0.1	—	7.40	—	—	166.48	166.58	165.89	164.06	69.01	171.15 (12/11)	64.13 (6/1)	293.13 (3/7/72)	61.40 (10/12/74)
35	Hire Purchase (5)	99.55	−0.6	—	6.65	—	—	100.15	102.70	103.60	103.69	49.17	134.39 (10/5)	42.81 (6/1)	433.72 (4/5/72)	38.83 (11/12/74)
36	Insurance (Life) (9)	113.50	−0.1	—	6.02	—	—	113.69	113.76	114.54	114.31	47.71	139.31 (12/11)	44.88 (2/1)	194.46 (15/5/72)	44.88 (2/1/75)
37	Insurance (Composite) (7)	102.32	—	—	6.70	—	—	102.52	102.16	104.58	104.68	46.55	133.90 (23/5)	44.47 (2/1)	155.76 (21/4/72)	43.96 (13/12/74)
38	Insurance (Brokers) (10)	215.59	—	9.80	4.21	15.38	15.38	215.59	217.23	218.24	217.69	71.69	232.39 (12/11)	68.96 (7/1)	262.37 (12/12/72)	65.86 (16/12/74)
39	Merchant Banks (18)	82.89	−0.5	—	6.50	—	—	85.50	85.75	85.94	85.87	34.72	94.97 (7/5)	31.21 (7/1)	278.57 (1/5/72)	31.21 (7/1/75)
40	Property (32)	164.41	+0.5	2.95	2.95	62.14	58.06	163.84	162.55	161.00	159.50	99.74	241.32 (22/4)	88.19 (7/1)	357.40 (9/11/73)	56.01 (20/4/65)
41	Miscellaneous (4)	78.17	+0.9	12.83	6.18	12.46	12.31	77.50	77.50	77.50	76.61	37.51	80.81 (28/11)	34.78 (10/1)	303.13 (12/5/72)	33.29 (17/12/74)
42	Investment Trusts (50)	166.64	−0.1	5.52	4.28	33.11	33.09	166.86	166.84	167.15	166.90	76.01	178.53 (16/6)	73.43 (6/1)	245.79 (25/4/72)	71.63 (13/12/74)
43	ALL-SHARE INDEX (650)	153.79	−0.1	—	5.68	—	—	153.89	154.27	155.78	155.08	65.66	160.63 (18/11)	62.16 (6/1)	228.18 (1/5/72)	61.92 (13/12/74)
	COMMODITY GROUPS (Not included in 500 or All Share indices)															
44	Rubbers (9)	380.91	+0.5	16.83	8.80	9.12	9.10	379.05	378.19	379.03	389.58	285.71	525.43 (25/6)	281.66 (2/1)	555.37 (25/7/73)	84.68 (20/8/63)
45	Teas (9)	116.67	−1.6	40.52	8.88	3.62	3.57	118.80	118.22	118.04	115.62	77.79	124.57 (11/11)	70.76 (10/1)	124.57 (11/11/75)	58.72 (17/10/74)
46	Coppers (3)	251.97	−0.3	39.53	6.62	2.54	2.54	252.81	251.97	256.14	251.97	381.83	467.74 (27/6)	251.97 (18/12)	567.78 (15/7/73)	94.08 (29/4/62)
47	Mining Finance (11)	110.53	−0.2	10.74	4.62	10.51	10.51	110.75	111.15	109.54	109.31	89.22	141.34 (30/5)	80.58 (22/1)	175.90 (25/4/69)	66.31 (30/8/74)
48	Tins (8)	86.81	−0.4	14.41	10.40	9.90	9.29	87.18	86.61	87.47	87.86	60.55	114.49 (3/6)	58.91 (8/1)	125.43 (12/1/75)	54.83 (27/6/71)
49	Overseas Traders (13)	214.00	−1.0	15.67	4.88	8.17	8.16	212.89	214.06	215.34	215.10	—	252.25 (20/5)	97.37 (6/1)	252.25 (20/5/75)	97.37 (6/1/75)

	FIXED INTEREST	Wed., Dec. 24 Index No.	Wed., Dec. 24 Yield %	Tuesday Dec. 23	Monday Dec. 22	Friday Dec. 19	Thurs. Dec. 18	Wed. Dec. 17	Tuesday Dec. 16	Monday Dec. 15	Year ago (approx.)	1975 High	1975 Low	Since Compilation High	Since Compilation Low
1	Consols. 2½% yield	—	14.74	14.74	14.84	14.93	14.95	14.92	14.91	14.91	16.88	—	—	—	—
2	20-yr. Govt Stocks (8)	47.05	13.79	47.02	46.94	46.50	46.31	46.25	46.05	45.86	39.54	53.09 (30/5)	38.27 (2/1)	115.42	38.27 (3/1/75)
3	20-yr. Red Deb & Loans (15)	49.57	14.90	49.50	49.50	49.20	49.13	49.16	49.18	49.15	37.08	50.68 (21/5)	37.01 (3/1)	113.43	37.01 (3/1/75)
4	Investment Trust Prefs. (15)	47.05	14.71	47.05	47.05	46.83	46.75	46.73	46.58	46.46	35.57	47.30 (29/7)	35.35 (3/1)	114.41	34.45 (4/12/74)
5	Coml and Indl Prefs (20)	63.37	15.07	63.73	63.78	63.59	63.43	63.48	63.22	63.15	49.06	68.02 (6/8)	47.67 (6/1)	114.95	47.67 (6/1/75)

Section or Group	Base Date	Base Value	Section or Group	Base Date	Base Value
Overseas Traders	31/12/74	100.00	Miscellaneous Financial	31/12/70	128.06
Engineering (Heavy)	31/12/71	153.84	Food Manufacturing	29/12/67	114.13
Engineering (General)	31/12/71	153.84	Food Retailing	29/12/67	114.13
Wines and Spirits	16/1/70	144.76	Insurance Brokers	29/12/67	96.67
Toys and Games	16/1/70	135.72	Mining Finance	29/12/67	100.00
Office Equipment	16/1/70	162.74	All Other	10/4/62	100.00
Industrial Group	31/12/70	128.20			

‡ Redemption yield. FT-Actuaries Indices are calculated by Extel Communications Limited (a member of the Exchange Telegraph Group) on an IBM 370 computer.

A list of the constituents of the FT-Actuaries Share Indices is now available from the Publishers, the Financial Times, Bracken House, Cannon Street, London, EC4P 4BY, price 13p. By inland post 15p. Commonwealth 18p. Foreign 22p.

MONEY MARKET

Minimum Lending Rate 11¼%

Bank of England Minimum Lending Rate 11¼ per cent. (since December 24, 1975)

The Treasury bill rate fell by 0.1268 per cent. to 10.6440 per cent. at Wednesday's tender and the Bank of England Minimum Lending Rate was reduced by ¼ per cent. to 11¼ per cent. The minimum accepted bid was £97.34 compared with £97.31 on the previous Friday, and bids at that level were met as to about 30 per cent. The £300m. bills tendered and allotted attracted bids of £814.24m. All bills offered were allotted, while next week £300m. will replace maturities of £450m.

Day-to-day credit was in very short supply in the London money market on Wednesday and the authorities gave an exceptionally large amount of assistance by buying Treasury bills from the Discount houses and the banks and also by purchasing Corporation bills from the houses. The main reason for the shortage was a large excess of revenue payments to the Exchequer over Government disbursements. There was also a net market take-up of Treasury bills, and official holdings of maturing Treasury bills against the market's favour. On the other hand the banks carried forward surplus balances from Tuesday.

Discount houses paid 11-11½ per cent. for secured call loans at the start, and funds were available at between 10½ per cent. and 11¼ per cent. at the close.

Dec. 24 1975	Sterling Certificates of deposit	Interbank	Local Authority deposits*	Local Auth. negotiable bonds	Finance House deposit	Company deposits	Discount market deposits	Treasury bills ⊕	Bank bills ⊕	Fine trade bills ⊕
Overnight	—	11⅛-11¼	—	—	—	11½	10½-11½	—	—	—
2 days notice	—	—	11¼-11½	—	—	—	—	—	—	—
7 days or 7 days notice	—	11¼-11⅜	11¼-11½	—	—	—	11-11¼	—	—	—
One month	11⅛-11	11⅛-11¼	11¼-11½	11½-11	11⅝-12¼	—	10¾-10⅞	10⅝-10⅞	10⅜-10⅞	11½-11¼
Two months	11⅛-11	11⅛-11¼	—	11½-11	11⅝-12¼	—	10¾	10⅝-10⅝	10⅞	11½-11⅝
Three months	11⅛-11⅛	11⅛-11¼	11¼-11½	11¼-11	11⅝-12¼	—	10⅝-10¾	10⅝-10¾	10⅞-10⅞	11⅝-11⅞
Six months	11¼-11⅛	11⅛-11⅛	11⅝-11½	11½-11	12¼-12¼	—	—	—	10⅞-10⅞	11⅞-11¾
Nine months	11¼-11⅛	11⅛-11⅝	—	11⅝-11¼	11¾-12⅛	—	—	—	—	—
One year	11⅜-11¼	11¼-11⅜	12	11⅜-11⅝	11¾-12¼	—	—	—	—	—
Two years	—	12⅛-12⅜	12⅞	12⅞-12⅛	—	—	—	—	—	—

* Local authority and finance houses seven days' notice, others seven days' fixed. * Longer-term local authority mortgage rate nominally three years 13½-13¾ per cent.; four years 13¾ per cent.; five years 13¾-14 per cent. ⊕ Bank bill rates in table are buying rates for prime paper, buying rates for four-month bank bills 10⅞-10 per cent., and four-month trade bills 11⅞-11⅝ per cent. Approximate selling rates for one-month Treasury bills 10⅝-10 per cent.; two-month 10⅝ per cent.; three-month 10⅝-10⅝ per cent. Approximate selling rate for one-month Bank bills 10⅞ per cent., two-month 10⅞ per cent.; and three-month 10⅞ per cent.; for one-month trade bills 11½ per cent.; two-month 11⅝ per cent.; and three-month 11⅝ per cent.

Finance House Base Rate (published by the Finance Houses Association) 12 per cent. from December 1. Clearing Bank Deposit Rate for small sums at seven days' notice 7 per cent. Clearing Bank Rates for lending 11 per cent. Treasury Bills: Average tender rates of discount 10.6440 per cent.

EXCHANGES AND BULLION

Trading in the foreign exchange market was very quiet and featureless, with many centres already closed for the Christmas holiday and others only open to around noon. Sterling remained within a very narrow range, opening and closing at $2.0225-2.0235 in terms of the U.S. dollar, to record an improvement of 10 points on the day. The best level touched was $2.0230-2.0240, and the lowest point was $2.0220-2.0230. The pound's trade-weighted average depreciation since the Washington Currency Agreement, as calculated by the Bank of England, was unchanged at 30.2 per cent. at the final calculation at noon; and was also at that level in early dealings.

The U.S. dollar drifted slightly weaker in the subdued conditions.

Gold closed unchanged at $140¼-$141¼.

FOREIGN EXCHANGES

Dec. 24 1975	Bank Rate %	Day's Spread	Close
New York	6	2.0220-2.0240	2.0225-2.0235
Montreal	8¼	2.0480-2.0500	2.0485-2.0495
Amsterdam	4½	5.41-5.43	5.41½-5.42½
Brussels	6	79.65-79.90	79.65-79.85
Copenhagen	7½	12.42-12.46	12.45-12.46
Frankfurt	3½	5.26¼-5.28¼	5.26¾-5.27¾
Lisbon	6½	54.80-55.10	54.80-55.00
Madrid	7	120.30-120.90	120.30-120.50
Milan	6	1.377-1.380	1.378-1.380
Oslo	5	11.20-11.22	11.20-11.21
Paris	8	8.98-9.00	8.98½-8.99½
Stockholm	6	8.86-8.88	8.86½-8.87½
Tokyo	6½	616-621	618-620
Vienna	6	37.15-37.45	37.20-37.40
Zurich	3	5.29-5.31	5.29¼-5.30¼

[illegible]

EXCHANGE CROSS-RATES

Dec. 24	Frankfurt	New York	Paris	Brussels	London	Amsterdam	Zurich
Frankfurt	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
New York	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Paris	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Brussels	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
London	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Amsterdam	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Zurich	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

U.S. $ in Montreal, U.S. $=101.42-44 Canadian cents. [illegible]

EURO-CURRENCY INTEREST RATES*

Dec. 24 1975	Sterling	U.S. Dollar	Canadian Dollar	Dutch Guilder	W. German mark	Swiss franc
Short term†	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
7 days notice	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Month	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Three months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
Six months	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]
One year	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Euro-French deposit rates: short-term [illegible] per cent.; seven days' notice [illegible]. [illegible]

* Rates are nominal closing rates.
† Short-term rates are call for sterling, U.S. dollars and Canadian dollars and two-days' notice for guilders and Swiss francs.

Scottish TUC asked to recall Assembly

THE SCOTTISH TUC has been asked to recall its Scottish Assembly, which last met in Edinburgh when the Heath government was in power.

The request came from Ayrshire trades councils whose members believe that the Assembly could play a vital role as a pressure group to try to reduce Scottish unemployment now the worst since the war.

Mr. David Lambie, MP for Central Ayrshire, who addressed the meeting which decided to ask for the recall of the Assembly, said yesterday: "If ever there was a need for the Assembly to meet it is now, as a sounding board for Scottish opinion and to put pressure on the Government to act on the jobs crisis."

OTHER MARKETS

[illegible]

FORWARD RATES

	One month	Three months
New York	[illegible]	[illegible]
Montreal	[illegible]	[illegible]
Amsterdam	[illegible]	[illegible]
Brussels	40-20 c. pm	165-85 c. pm
Cop'hag'n	8-6 ore pm	18-16 ore pm
Frankfurt	3¼-2¼ pf. pm	10¼-9¼ pf pm
Lisbon	100 c. dis	180 c. dis
Milan	2½-½ lire pm	8½-6½ lire pm
Oslo	4-2 ore pm	12¼-10¼ ore pm
Paris	4¼-2¼ c. pm	10½-8½ c. pm
Stockh'lm	3½-1½ ore pm	10½-8½ ore pm
Vienna	35-10 gro pm	70-40 gro pm
Zurich	3½-2½ c. pm	10½-9½ c. pm

Six-month forward U.S. dollar 4.60-4.80c pm and 12-month 8.25-8.15c pm.

Guide for hotel health

A new booklet in the Guides for Managers series, published by the Hotel and Catering Industry Training Board, deals with health and safety at work. It is available from the information department at Wembley or any HCITB regional office.

BASE LENDING RATES

AFI International ...... 11 %
Allied Irish Banks Ltd. 11 %
Anglo-Portuguese Bank 11½%
Henry Ansbacher 11½%
Banco de Bilbao ...... 11 %
Banco de Jerez 11½%
Bank of Cyprus ...... 11 %
Bank of N.S.W. ...... 11 %
Banque du Rhone S.A. 11½%
Barclays Bank ...... 11 %
Barnett, Christie Ltd.... 12 %
Bremar Holdings Ltd. 12 %
Brit. Bank of Mid. East 11 %
■ Brown Shipley 11½%
Cayzer, Bowater Co. Ltd. 11½%
Cedar Holdings ...... 11 %
■ Charterhouse Japhet ... 11½%
C. E. Coates 11½%
Consolidated Credits... 12 %
Co-operative Bank ......*11 %
Corinthian Securities... 11 %
Credit Lyonnais ...... 11 %
G. R. Dawes ...... 12 %
Duboff Brothers ...... 12 %
Duncan Lawrie ...... 11 %
English Transcont. ...... 13 %
First London Secs....... 11 %
■ Antony Gibbs ...... 11 %
Goode Durrant Trust... 11 %
Greyhound Guaranty... 11 %
Grindlays Bank ...... 11 %
■ Guinness Mahon ...... 11 %
■ Hambros Bank ...... 11 %
Hawtin & Partners ... 13 %
■ Hill Samuel ......§11 %
C. Hoare & Co. ......†11 %
Julian S. Hodge ...... 12 %
Industrial Bank of Scot. 11 %
Keyser Ullmann 11½%
Knowsley & Co. Ltd. ... 12½%
Lloyds Bank ...... 11 %
London & European ... 11½%
London Mercantile ... 11½%
Midland Bank ...... 11 %
■ Samuel Montagu...... 11 %
■ Morgan Grenfell ...... 11 %
National Westminster 11 %
Northern Comm. Trust 11½%
Norwich General Trust 11½%
Portman Guaranty...... 11 %
P. S. Refson & Co. ...... 11 %
Rossminster Accept'cs 11 %
Schlesinger Limited ... 11½%
E. S. Schwab ...... 12 %
Security Trust Co. Ltd. 12½%
Shenley Trust 12½%
Standard Chartered ... 11 %
Sterling Credit 12½%
Thames Guaranty ...... 11 %
Trade Development Bk. 11 %
Twentieth Century Bk. 12½%
United Bank of Kuwait 11 %
Whiteaway Laidlaw ... 11½%
Williams & Glyn's ... 11 %
Yorkshire Bank ...... 11 %

■ Members of the Accepting Houses Committee.
* 7-day deposits 7%, 1-month deposits 7½%.
† 7-day deposits on sums of £10,000 and under 7%, up to £25,000 7½% and over £25,000 8¼%.
§ Demand deposits 8¼%.

CORAL INDEX
Close 363-368

I.G. INDEX
GOLD 139½-142½

INSURANCE BASE RATES

† Atlantic Assurance ...... 12 %
Cannon Assurance 9¾%
† Address shown under Insurance and Property Bond table.

GOLD MARKET

[illegible]

Gold Coins	Dec. 24	Dec. 23
Krugerrand	$143-145 (£70¾-71¾)	$143-145 (£70¾-71¾)
New Sov'r'gns	$42½-43½ (£21-21½)	$42½-43½ (£21-21½)
Old Sov'r'gns	$42½-43½ (£21-21½)	$42½-43½ (£21-21½)
$20 Eagles	$218-221	$218-221
$10 Eagles	$111-114	$111-114
$5 Eagles	$71-74	$71-74

Dec. 24 rates are the same at Dec. 23 for gold coins.

SPECIAL DRAWING RIGHT RATES

One SDR is equal to	Dec. 24	Dec. 23
Sterling	0.579868	0.57970
U.S. dollar	1.17315	1.17182
Belgian franc	46.2829	46.1931
Deutsche mark	3.06809	3.06607
French franc	5.82126	5.21315
Italian lira	799.253	799.035
Japanese yen	358.567	356.694
Dutch guilder	3.14573	3.14165
Swedish krona	5.31489	5.17124

Values are for currencies against SDR as calculated by the International Monetary Fund in Washington.

AUTHORISED UNIT TRUSTS

G.T. Unit Managers Ltd.♥
16, St. Martins-le-Grand, EC1. 01-600 9461

G.T. Cap. Inc	56.2	59.8	......	3.70
Do. Acc.	63.5	67.5	......	3.70
G.T. Inc. Fd. Un.	103.6	110.2	......	9.80
G.T. U.S. & Gen	114.6	121.9	......	1.10
G.T. Japan & Gen	167.3	178.0	......	0.80
♦Gt. Pens.Ex.Fd.	112.1	117.4	......	2.50

G. & A. Tst. Mgrs. (a) (g)
5, Rayleigh Rd., Brentwood. (0277) 227300

G. & A.	23.6	25.2xd	−0.1	5.19

REGIONAL MARKETS

Following the merger last year of U.K. stock exchanges, a selection of the share prices previously shown under regional headings is presented below with quotations in London. Irish issues, most of which are not officially listed in London, are shown separately and with prices as on the Irish exchange.

Alloy Inv. 20p	16	......	Craig Ship £1	335	+10	Shiloh Spinn.	29½	......
Spinning	33	......	Hallam Sleigh 10p	6	......	Sindall (Wm.)	53	......
[illegible]	21	......	Higsons Brew.	92	......			
Ir. Est. 50p	135	+5	I.O.M. Stm. £1	127	......	**IRISH**		
Croft	35	......	Holt (Jos.) 25p	250	......			
& Ross £1	320	......	Kleen-e-Ze	18xd	......	Alliance Gas (£1)	80	......
(R.A.)	28xd	......	Lovell's Ship £1	70	......	Carroll (P. J.)	122	......
& McHdy.	62xr	......	N'thn. Goldsmith	59	......	Clondalkin	48	......
Fy'k. 10p.	33	......	P.M.A.	48	......	Concrete Prods.	92	......
[illegible]	10	......	Pearce (C. H.)	80	......	Goodbody (£1)	34	......
Forge	40	......	Peel Mills	12	......	Heiton (Hldgs.)	29	......
Pkg. 5p	16	......	Richards 10p	13	......	Irish Distillers	67½xd	......
Reed 20p	158	......	RobbCaledon5h.	41	+4	Irish Wire	40	......
& Sons	11	......	Sayers 12½p	8	......	Jacob	73	......
(L.)	68	......	Sheffield Brick	65	......	Sunbeam	8	......
			Shell. Refrshmt.	140	......	Unidare	63	......

INSURANCE, PROPERTY, BONDS

OFFSHORE AND OVERSEAS FUNDS

United States Tst. Intl. Adv. Co.
14, Rue Aldringer, Luxembourg.

U.S. Tst. Inv. Fnd.	$US11.76	+0.04	1.02

Net asset value Dec. 23

S. G. Warburg & Co. Ltd.
30, Gresham Street, EC2. 01-600 4555

Conv. Bd. Dec. 23	$US8.32	+0.03	—
Energy Int. Dec. 23	11.66	+0.08	—
Grsh.St.$Fd. Nov. 28	$US6.57	......	—

Warburg Invest. Mngt. Jrsy. Ltd.
8 Church St, St Helier, Jsy. CI. 0534 35511

CMF Ltd. Nov. 27	$US10.19	10.46	......	—
CMT Ltd. Nov. 27	£10.32	10.59	......	—
Metals Tst. Dec. 18	£9.28	9.51	......	—
TMT Dec. 11	$US9.96	10.22	......	—
TMT Ltd. Dec. 11	£10.25	10.52	......	—

World Wide Growth Management♦
10a, Boulevard Royal, Luxembourg.

World Wide Gth. Fd.	$10.83	+0.08	—

NOTES

Prices do not include $ premium, where applicable, and are in pence unless otherwise indicated. Yields % (shown in last column) allow for all buying expenses. a Offered prices include all expenses. b Today's prices. c Yield based on offer price. d Estimated. g Today's opening price. h Distribution free of U.K. taxes. x Offered price includes all expenses except agent's commission. y Offered price includes all expenses if bought through managers. z Previous day's price. ♥ Net of tax on realised capital gains unless indicated by ♦. § Guernsey yield. # Suspended. ‡ Single premium insurance bonds.

This service is available to every Company dealt in on

FT SHARE INFORMATION SERVICE

**BRITISH FUNDS

"Shorts" (Lives up to Five Years)

Five to Fifteen Years

Over Fifteen Years

Undated

**INTERNATIONAL BANK

**CORPORATION LOANS

COMMONWEALTH & AFRICAN LOANS

LOANS (Miscel.)

FOREIGN BONDS & RAILS

U.S. $ DM Prices exclude inv. $ premium

AMERICANS

S.E. List Premium 65¾% (based on $2.0225 per £)

CANADIANS

S.E. List Premium 65¾% (based on $2.0482 per £)
Conversion factor 0.6048 (0.6023)

††BANKS AND HIRE PURCHASE

Hire Purchase, etc.

BEERS, WINES AND SPIRITS

BUILDING INDUSTRY, TIMBER & ROADS

BUILDING INDUSTRY—Continued

CHEMICALS, PLASTICS

CINEMAS, THEATRES AND TV

DRAPERY AND STORES

DRAPERY AND STORES—Continued

ELECTRICAL AND RADIO

ENGINEERING, MACHINE TOOLS

ENGINEERING—Cont.

FOOD, GROCERIES, ETC.

HOTELS & CATERERS

HOTELS—Continued

INDUSTRIALS (Miscel.)

INDUSTRIALS—Continued

INDUSTRIALS—Continued

††INSURANCE

MOTORS, AIRCRAFT TRADES

Motors and Cycles

Commercial Vehicles

Components

Garages and Distributors

NEWSPAPERS, PUBLISHERS

PAPER, PRINTING, ADVERTISING

PROPERTY

PROPERTY—Continued

SHIPBUILDERS, REPAIRERS

SHIPPING

SHOES AND LEATHER

SOUTH AFRICANS

TEXTILES

TOBACCOS

TRUSTS, FINANCE, LAND

Investment Trusts

TRUSTS—Continued

Trusts, Finance, Land, etc.

OILS

OVERSEAS TRADERS

RUBBERS AND SISALS

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
43	24½	Anglo-Indo'n	35	......	2.5	2.4	11.0
34	17	Bertam Con. 10p	34	......	1.51	1.2	6.8
67	46	Bradwall 10p	62	......	2.01	2.9	5.0
89	56	Castlefield 10p	68	−2	2.06	♦	4.8
31	17	Chersonese 10p	25	......	1.03	2.2	6.3
64½	35	Cons. Plants 10p	53½	......	5.00	0.8	8.4
73	47	Gadek 10p	56	......	1.88	0.7	5.3
58	29	Golden Hope 10p	43	......	1.97	3.5	7.0
8	5½	Grand Central 10p	6	......	d0.5	1.7	14.0
237½	108½	Guthrie £1	159	+2	h11.0	0.8	10.6
57	33	ΔRichlands 10p	35	+½	‡1.45	1.1	‡
54	24	Kuala Kepong M$1	35	+½	†Q10%	1.2	4.9
32	17	ΔKulim 50c	24	......	†1.36	1.6	8.7
58	29	Ldn. Asiatic 10p	39½	......	†2.1	4.1	8.2
32½	20¾	Ldn. Sum'tra 10p	29½	......	1.1	1.6	5.7
92	36	ΔMalakoff 10p	90	+1	‡Q40%	3.4	‡
8	6	Malayalam 10p	6½	......	0.35	♦	8.3
66	39	Muar River 10p	42	......	1.41	1.7	5.2
53	29	Pataling 10p	37	......	†2.09	2.8	6.7
42	28	Plantat'n Hldgs. 10p	29	......	1.63	2.1	3.7
£12½	725	Sungei Krian £1	850	......	31.15	2.6	5.6

TEAS

India and Bangladesh

Sri Lanka

Africa

MINES

CENTRAL RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
£14¼	250	Durban Deep R1	330	−10	Q20c	♦	3.4
£14	500	E. Rand Prp. R1	550xd	−5	Q35c	♦	3.9
105	24	Randfontein [illegible]	24	......	—	—	—
£34½	£15¾	Rand'tn Est. R2	£16½	......	—	—	—
500	130	West Rand R1	135xd	−5	Q10c	♦	4.1

EASTERN RAND

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
370	265	Bracken R1	255	......	Q52c	1.0	13.5
23	5	[illegible]	10	......	—	—	—
105	33	East Dag R1	34	......	—	—	—
140	[illegible]	Grootvlei [illegible]	140g	......	—	—	—
380	110	Grootvlei 25c	220	−5	Q30c	♦	9.5
820	385	Kinross R1	445	−5	Q52c	1.0	[illegible]
90	58	Leslie 25c	64	+2	Q12c	1.0	15.5
550	165	Marievale 25c	225	−5	Q42c	♦	[illegible]
725	175	S. African Ld. 35c	210	−10	Q50c	♦	[illegible]
265	82	Vlakfontein R1	105	−2	Q20c	♦	10.9
£13¾	660	Winkelhaak R1	770	......	Q108	1.1	7.8
120	33	Wit. Nigel 25c	38	−2	—	—	1.4

FAR WEST RAND

O.F.S.

FINANCE

DIAMOND AND PLATINUM

CENTRAL AFRICAN

AUSTRALIAN

TINS

COPPER

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
112	42	[illegible]	[illegible]	[illegible]	—	—	—
390	296	Messina R0.50	265	−3	Q35c	1.9	6.3

MISCELLANEOUS

1975 High	Low	Stock	Price	+ or −	Div Net	Cvr	Y'ld Gr's
8½	3	Burma Mine 17½p	8	......	m0.5	—	1.7
65	17	Charterhall 5p	25	......	—	—	—
115	40	Colby Mines $1	58	......	—	—	—
830	360	Cons. Murch. 10c	760xd	−10	Q80c	♦	5.7
53½	29½	Lonrho [illegible]	23½	−2½	—	—	—
375	200	Northgate C$1	260	+5	tQ25c	1.0	5.3
211	80	R.T.Z.	176	+1	g5.51	4.4	4.8
135	47½	Sabina Inds. C$1	95	−5	—	—	—
81	45	Silverfield Mines	48	......	—	—	—
£12½	874	Tara Exptn. $1	£11	......	—	—	—
84	36	Yukon Cons. C$1	84	......	—	—	—

NOTES

Unless otherwise indicated, prices and net dividends are in pence and denominations are 25p. Estimated price/earnings ratios and covers are based on latest annual reports and accounts and, where possible, are updated on half-yearly figures; they are adjusted to ACT of 35 per cent. P/Es are calculated on the basis of net distribution; bracketed figures indicate 10 per cent. or more difference if calculated on "nil" distribution. Covers are based on "maximum" distribution. Yields, assuming maintenance of net dividends on current rate of ACT, are based on middle prices, are gross and allow for value of declared distributions and rights. Securities with denominations other than sterling are quoted inclusive of the investment dollar premium.

- Δ Sterling denominated securities which include investment dollar premium.
- ● "Tap" Stock.
- * Highs and Lows marked thus have been adjusted to allow for rights issues for cash.
- † Interim since increased or resumed.
- ‡ Interim since reduced, passed or deferred.
- ‡‡ Tax-free to non-residents.
- ♦ Figures or report awaited.
- †† Banks and Insurance reserve allocations may preclude calculation of dividend cover.
- ¶ Price at time of suspension.
- § Indicated dividend after pending scrip and/or rights issue: cover relates to previous dividend or forecast.
- ** Free of Stamp Duty.
- ♦ Merger bid or reorganisation in progress.
- ♦ Not comparable.
- ♦ Same interim; reduced final and/or reduced earnings indicated.
- ♦ Based on 1973 profits.
- ‡ Cover allows for conversion of shares not now ranking for dividends or ranking only for restricted dividend.
- ★ Cover does not allow for shares which may also rank for dividend at a future date. No P/E ratio usually provided.
- ♦ Excluding a final dividend declaration.
- ♦ Regional price.
- ‖ No par value.

a Tax free. b Figures based on prospectus or other official estimate. c Cents. d Dividend rate paid or payable on part of capital; cover based on dividend on full capital. e Redemption yield. f Flat yield. g Assumed dividend and yield. h Assumed dividend and yield after scrip issue. j Payment from capital sources. k Kenya. m Interim higher than previous total. q Earnings based on preliminary figures. r Australian currency. s Dividend and yield exclude a special payment. t Indicated dividend: cover relates to previous dividend, P/E ratio based on latest annual earnings. u Forecast dividend: cover based on previous year's earnings. v Tax free up to 30p in the £. w Yield allows for currency clause. y Dividend and yield based on merger terms. z Dividend and yield include a special payment: Cover does not apply to special payment. A Net dividend and yield. B Preference dividend passed or deferred. C Canadian. E Issue price. G Assumed dividend and yield after pending scrip and/or rights issue. H Figures based on prospectus or other official estimates for 1974-75. Q Gross. T Figures assumed. U No significant Corporation Tax payable. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xd ex capital distribution.

"Recent Issues" and "Rights" Page 12

FINANCIAL TIMES

Saturday December 27 1975

MAN OF THE YEAR

A tale of tenacity

BY NICHOLAS COLCHESTER

HELMUT SCHMIDT, Chancellor of Western Germany, is named man of the year because of the world-wide respect that has emerged over the 20 months since he took office for the German economy, German democracy and German foreign policy. In contributing to this respect Chancellor Schmidt has built on the work of Conrad Adenauer who rooted West Germany among the Western democracies and set it on the road back to economic influence, and of Willy Brandt who injected a valuable measure of humanity into West Germany's international image.

Herr Schmidt appears to be one of those people whose best qualities emerge during times of difficulty. He came to fame within West Germany in 1962 when, as an energetic State Minister, he briskly organised the relief measures needed to deal with floods in his native city of Hamburg. He established himself as German Chancellor during a period of recession that led to turbulent politics in a number of Western democracies. This recession put unemployment in West Germany up to a level that would have been considered a political disaster three years ago. Yet with Schmidt at the helm West Germany mastered it with apparent ease.

He has somehow contrived to be extra-political, a man whose thoughts matter not because they represent clever Left or Right but because they are the thoughts of a formidably clear-thinking man. Gerald Ford is America's Republican President. Harold Wilson is Great Britain's Labour Prime Minister. But Herr Schmidt can carry the shorter title of German Chancellor. In his overseas image he does not represent any particular trend but is the personification of modern Germany—well meaning, logical, efficient, and somewhat abrasive.

Yet within West Germany Helmut Schmidt remains a vital political asset to his party, the Social Democrats. Next year, 1976, is an election year in Germany and Schmidt is the outstanding reason why the current coalition between Social Democrats and Free Democrats might remain in power. The Chancellor somehow defuses the Opposition from his central stance. By origin and early career he is impeccably Social Democratic, but in his current attitudes he has the respect and trust of free enterprise and is considered Right-wing socialist by the standards of most other Western democracies. He has good relations with both management and unions and is ready to chide both in public telling the former to stop cultivating a premeditated pessimism and reminding the latter that they cannot expect automatic growth in real incomes.

He is a modern German Chancellor because he seeks to rule by convincing people with detailed and logical argument. In a country where issues are built up in mind-numbing detail he has the tenacity and capacity of mind to out-point his audience and persuade them that there is no other solution but the one he is advocating. This gift is combined with the valuable ability in his oratory to find the right tone for a difficult moment.

This has been Schmidt's year, too, because his grasp of economics has been suited to the overriding international problem of the moment. Yet one has sensed in him a growing awareness of how inadequate are the tools of economic management and the theories that control their deployment. After being publicly wrong in forecasting what would happen to the German economy in 1975 Schmidt's strongest conviction remained that in times of recession governments must preserve free trade and co-ordinate their economic efforts in order that the right psychological atmosphere for an upswing be created.

The most frequent criticism of Helmut Schmidt is that he reacts logically and sometimes impatiently to problems but has no inner conviction of where Germany should be heading. He answered this thought himself at his party's congress in November: "I am in fact a pragmatic man but not one without theories and certainly not one without values." It is because of pragmatism with values that Helmut Schmidt seems to be the man for the moment.

Steel prices may rise by about 10%

BY ADRIAN HAMILTON

INDUSTRY IS now generally expecting an increase of about 10 per cent. in the price of most steel products supplied by British Steel Corporation within the next few weeks.

So far BSC has refused to comment on the growing speculation about its pricing plans and does, indeed, seem genuinely uncertain of how prices can be raised in the market conditions of next year as a whole.

There is every indication, however, that the Corporation—in line with other major producers on the Continent—will seek its first general bite at the beginning of the New Year, with a rise of around 10 per cent. on most products, and slightly higher increases on certain qualities and sizes.

The rise would mark the first general price increase in steel for a year, although the Corporation has made selective increases on particular products during the year.

It comes at a time when the industry's need for an increase is becoming more intense daily as its losses mount. Yet market conditions still make it peculiarly difficult for steel manufacturers to work out a long-term pricing strategy.

On the optimistic side, the latest figures on consumption and stocks suggest that at least the bottom of the depression has been reached and that demand, in certain areas, is beginning to pick up. There also seems to be a general optimism that a sharp upturn will be experienced towards the end of 1976 and this mood has already had its impact on demand among users.

The pick-up, on the other hand, has yet to work its way back in higher orders from the producers themselves and there is still a mood of general pessimism about the prospects for an early revival in demand for specific products such as constructional steel.

In the U.K., the most immediate market worries concern the supply of flat-rolled sheet from BSC's strip mill division, where output has been artificially distorted by the problems at Llanwern and the difficulties of producing sheet of the qualities required when the fall in demand is being evenly carried by most of the division's plants.

Although the recent settlement on the operation of the new blast furnace at Llanwern should improve supplies, particularly for the car industry, it will take several months before the furnace can be brought to full capacity. Even then much will depend on whether the Corporation can achieve its current plans for concentrating production on the better plants if the quality products are to become readily available.

In the meantime, BSC has put many of its customers on drastically reduced quotas and has warned them that they may well have to go abroad if they are to fill their needs. It has also taken options itself on improved steel in the first quarter.

Whether the Continent and other foreign suppliers will fill the gap, on the other hand, remains to be seen, particularly as most of the Continental manufacturers seem to have agreed export quotas.

In other areas such as general and stainless steels and tubes, the supply situation seems to be better, although still tight on some specific qualities, where the Corporation's flexibility in output is limited and the problems of working at low capacity are greater.

Further price rises beyond January are likely to depend very much on the specific market situation on the individual steel product and the point at which the current stock withdrawal ceases—a picture which varies considerably from product to product.

But the Corporation is generally expected to look for an additional 10-15 per cent. on many products in the Spring with a further five in the Autumn if the market and the policies of the Continental producers allow it.

Steel investment plans, Page 9

Rees puts up new political plan

BY JOHN BOURNE, LOBBY EDITOR

MR. MERLYN REES, the Northern Ireland Secretary, believes that the next step to try to break the political deadlock in the Province is to recall its elected Constitutional Convention early in the New Year, but with new terms of reference.

These, he thinks, should be aimed at concentrating the minds of the Northern Ireland parties on ways of progressing towards minority involvement in any new devolved government in Belfast.

One method he has already discussed with party leaders there—and also with Conservatives and Liberals at Westminster—is the veiled suggestion of Mr. William Craig, the Protestant Vanguard leader, which was summarily rejected by other Loyalist leaders last autumn. This was for a temporary emergency coalition government, bringing in some Catholics.

The report of the Constitutional Convention reflected the views of the majority Ulster Unionist grouping:—
Government by the Protestant majority with Catholic Social Democratic and Labour Party restricted to non-executive chairmanships of certain committees in a new Stormont Assembly. This conclusion was rejected by the SDLP and the Alliance Parties, and therefore Mr. Rees sees no point in recalling the convention merely to "have another think" about its report.

Nor does he feel inclined to accept the argument that the Protestant parties, having honoured promises in their election manifestos to fight for majority rule, would now be ready to alter their original report.

However, British Cabinet Ministers will not decide their view on the convention's report until the week after next.

The decision will have to be taken before January 12 when the Commons, on its first day back after Christmas recess, will discuss the Northern Ireland Convention's report and hear from Mr. Rees how the Government sees the best way forward. But even then, Mr. Rees will make it clear that the Government will consider any reasonable alternative suggestions made during the Commons debate.

Conservative leaders at Westminster, in preliminary discussion, have show themselves determined to maintain a bipartisan approach with the Government on the constitutional problems with Northern Ireland, although Mr. Airey Neave, the Northern Ireland spokesman, has recently strained severely Conservative—Government relations over Mr. Rees' handling of detention and general security problems in the Province.

THE LEX COLUMN

Poised for future expansion

The annual general meeting of Carey Street Finance Ltd. was held at 5.30 p.m. on December 24 at the company's head office, Cork House, Carey Street, W.C. The following remarks were made by the chairman, Mr. A. Prior-Clearer.

I am sorry there are so few shareholders here this evening. It has been suggested to me that this may have something to do with the inconvenient hour of the meeting, and I will see what can be done about this in future years.

This is the first occasion on which I have been privileged to address you, and I think you will agree that in all the circumstances there is no useful purpose to be served by dwelling unduly on the past. You will already have received the report and accounts for the year, which showed losses of £57.8m. after exceptional provisions totalling £55.3m.

Assumptions dashed

The assumptions made in the interim report that property values would rise sharply, that interest rates would fall and that planning permission would be given for our scheme to redevelop the city centre of Cambridge proved to be over-optimistic.

Other than that, I would only comment that the sums now set aside are adequate to cover all foreseeable contingencies. However, you will note that our auditors, Messrs. Beat Plunder and Co., have stated that whether or not the provisions we have made prove to be adequate or excessive or not in the light of subsequent events, as the case may be, remains to be seen.

Now for our Boardroom changes. Mr. N. Dowment has regrettably felt it necessary to step down from his position as chairman due to the pressure of his many other commitments, including those at the Actuaries' Benefit Assurance company, our major shareholders, where I understand he is to become director of long-term planning. I would like to express my thanks for all the help he has extended to me personally in a difficult period.

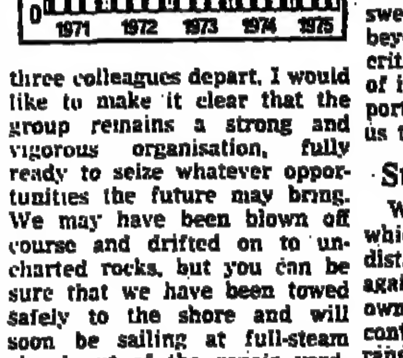
I also extend heartfelt thanks to Mr. M. Raikoff, our chief executive who resigned during the summer after many years of devoted service. As you know, Mr. Raikoff was especially closely connected with our property activities, where our expansion came at a particularly unlucky time. I would like, on behalf of us all, to wish him every success in his new venture in the South of France. Incidentally, Mr. Raikoff, a dog breeder in his spare time, also deserves our congratulations for winning this year's Grand Prize in the Alsatian class at Cruft's.

We say farewell, too, to Mr. J. Bananas, our banking director, whose skills in financial dealing have served Carey Street so well over a number of years. He has been seconded to special Government service for periods of five and seven years, the two to run concurrently, although I understand that he may be entitled to remission for good conduct.

Sorry as we are to see these three colleagues depart, I would like to make it clear that the group remains a strong and vigorous organisation, fully ready to seize whatever opportunities the future may bring. We may have been blown off course and drifted on to uncharted rocks, but you can be sure that we have been towed safely to the shore and will soon be sailing at full-steam ahead out of the repair yard. However, I am confident that shareholders and stockholders will realise that certain legal formalities are required to be completed before we are able to forge ahead as we would like.

Accordingly at an extraordinary meeting on December 31, details of which have already been circulated to you, we shall be seeking changes in the articles of association which might otherwise have placed undesirable constraints upon the freedom of action of your Board. In particular we propose that borrowing should not be limited to six times capital and reserves, but should [be] restricted to eight times ca[pital] and reserves or £750m., w[hich]ever should be the higher [from] time to time.

Index rose 0.6 to 363.4



We are also taking step[s to] modernise the trust deed w[hich] constitutes our quoted [un]secured loan stock. I [must] point out to stockholders [that] if approval is not given fo[r these] proposals the only rea[listic] alternative would be an i[mme]diate liquidation, in which [case] the values of assets rea[lised] would be materially red[uced] and it is extremely unlikely there would be anything [avail]able for loans stockholder[s or] Ordinary shareholders.

Now I should like to s[ay a] word about our difficulti[es in] obtaining sufficient funds. [As] you know, the problems o[f the] financial markets have res[ulted] in wholly unforeseen prob[lems] for banks such as ourse[lves] and we have come to de[pend] in substantial measure [on] the deposits provided by [the] Bank of England and the [big] clearing banks.

May I say how wise and [far]sighted the Bank has bee[n in] organising this support, for [only] by this means can we pre[serve] the reputation of banks [like] Carey Street Finance for [pru]dence, probity and sec[urity] which adds up to such a p[rice]less national asset. How t[ragic] it would be for the Ci[ty if] sturdy, independent con[cerns] such as ourselves were t[o be] swept aside by events ent[irely] beyond our control. Our [only] criticism is that the high [rate] of interest exacted on such [sup]port makes it more difficul[t for] us to restore our position.

Stand on feet

We look forward to the [day] which I am sure will not b[e far] distant, when we shall [once] again be able to stand on [our] own feet. Meanwhile we [are] continuing to develop our [wide-]ranging financial skills; fo[r in]stance, our methods of acc[ount]ing for rolled-up interest [on] property development loa[ns] — which we prefer to descri[be as] unrealised contingent defic[iency] adjustments — represent, [we] believe, great advances on [pre]vious techniques.

On the banking side w[e are] confident that Mr. Kenneth [...] will secure an early imp[rove]ment in the rate at which loans are liquidated. As fo[r our] corporate finance depart[ment] we are better placed than [ever] before to pass on to client[s the] benefits of our financial e[xper]tise.

India plans nationalisation of Burmah Shell refinery

BY K. K. SHARMA

NEW DELHI, Dec. 26

THE INDIAN Government will introduce legislation to Parliament during the session beginning Jan. 5 for the 100 per cent. takeover of Burmah Shell's 6m.-tonne refinery in Bombay and its country-wide marketing operations.

This follows the signing of an agreement on the takeover on Wednesday by the Government and Mr. M. A. Cooke and Mr. R. H. Kilbey on behalf of the Burmah Oil Company and Shell International, joint owners of the Indian company.

The agreement provides for payment of compensation of Rs.380m. (£23m.) to Burmah Shell in instalments.

Burmah Shell, it is understood, will provide 3.5m. tonnes of crude annually for the next three years for processing in the refinery. After that, the Government will make its own arrangements for crude supply.

The Government plans to use crude produced in the Bombay offshore structure, where preparations to begin production of 2m. tonnes by the end of 1976 are being made.

Production from the offshore field will eventually increase to 10m. tonnes annually, but this will take about five years.

One of the main reasons for the government takeover of the Burmah Shell refinery is that it can process Bombay crude without alterations. With the takeover of Burmah Shell, the Indian Government will control 95 per cent. of oil refining and distribution in the country.

Plans now are to take over the 1.25m. tonne refinery and marketing network of Caltex and also the Assam Oil Company, the only remaining foreign companies.

A 74 per cent. share of Esso was taken over in March 1974 and the remaining 26 per cent. will be taken over in 1981, according to the agreement with the U.S. company

The bulk of refining and marketing is done by the Government-owned Indian Oil Corporation.

Many hospitals likely to resume normal services next week

BY OUR LABOUR STAFF

A NUMBER of hospitals hit by junior doctors' industrial action have reopened their casualty departments after many of the doctors decided to lift their sanctions.

But with most hospitals trying to keep their work to a minimum during the holiday, a widespread resumption of services is unlikely to be seen until next week.

Since their national leaders earlier this week urged doctors to "suspend" sanctions, imposed because of a dispute over contracts, doctors in the North-West of England—one of the most militant areas—have been told to resume normal working.

Junior doctors in one of the 30 hospitals in the Mersey region—St. Paul's Eye Hospital, Liverpool — have already resumed normal duties.

Doctors in the other hospitals in the region, which stretches from Southport to Crewe, are expected to resume overall cover from Monday.

Similar decisions to resume were taken in Ipswich and North Humberside, with doctors in Northampton and Kettering expected to follow suit.

However, doctors in Plymouth may vote to continue the emergencies-only action, along with a number in central London. In the Bristol area, a one-day strike over the separate issue of private practice legislation is being considered for Jan. 6.

Ballot papers

London is still a problem area for the ambulance service, with seven hospitals shut entirely and another seven admitting patients only part of the week.

A spokesman for the London ambulance service said that the workload was building up yesterday afternoon and difficulties would persist over the week-end.

Officially, junior doctors' Officially, junior doctors' action is only to be suspended while the profession's independent pay review body re-examines their contracts in the light of fresh proposals from Mrs. Barbara Castle, Social Services Secretary. But most of the doctors are expected to make that suspension indefinite.

Meanwhile, hospital consultants are still under instructions from their national leaders to impose sanctions in protest at legislation to remove private practice from NHS hospitals.

The British Medical Association will shortly be sending out ballot papers to the 11,000 consultants asking them if they accept or reject a plan for mitigating the effects of the legislation agreed between the Government and their own negotiators.

The consultants will however continue to oppose the legislation in principle even if they lift the industrial action.

● The British United Provident Association has a "contingency" plan to fly patients to Malta for some operations because of the Government's intention to remove private beds from National Health Service hospitals.

It said that consultants had been approached and had agreed to the scheme.

Continued from Page 1

Bid for London Tin expected

The intention is that a bid should then be made for the new shares at a price worth just over 197p a share (reflecting the premium) to U.K. holders, though costing Pernas-CC only some 120p a share, or about £20m. for the 80 per cent. Pernas does not already own.

The offer, worth some 197p, would fulfil an order from the London take-over Panel, made following the abortive Pernas-Haw Par link scheme last summer, that a bid at that price for the rest of the LT shares must be made either by Pernas, or Haw Par or both.

The projected Pernas-CC bid would be arranged so as initially to split ownership of the new Malaysian-based LT—assuming full acceptance by all holders—in the ratio of 70:30 between Pernas and CC. Later the new company would be reconstructed and, as part of its public flotation, additional shares would be issued against cash. This, it is expected, would result in a division of ownership, giving Pernas 50 per cent. and CC and the public 25 per cent. each.

In Kuala Lumpur, there are high hopes that the project will gain the necessary British consents to change of domicile and that it will be acceptable to the Panel and the LT Board.

The problem with Haw Par, believed to be a seller of its LT shares at the right price, is that, as it is not a British company, the planned offer would not have the same value to it as to British residents, since the shares of the new Malaysian-based LT would not attract the investment premium.

A price of 120p would not be acceptable to Haw Par, nor would Pernas-CC pay 197p, but a special compromise price, worth between the two to Haw Par, is being sought in negotiation.

Continued from Page 1

U.S. set for trade peak

decrease of under 1 per cent. in unemployment from the present very high levels (which would not be good politics).

Also, while it implies some reduction in the rate of inflation to the consumer to about 7 per cent., his may be uncomfortably high in political terms.

Thus, Mr. Ford may feel moved to spur things on somewhat. One oblique pointer came over Christmas with the Federal Reserve Board's announcement of small technical changes in the commercial banks' reserve requirements.

The effect of this is to release about $340m. in bank reserves and though the "Fed" said there were good specific reasons for the changes, they none the less are in line with its stated overall policy of making money easier to come by.

But the pursuit of greater expansion in the domestic economy contains great risks. Dr. Arthur Burns, "Fed" chairman, never fails to warn of the inflationary consequences.

He may well have gauged the mood of the country correctly. If prices are not seen to be going down in the spring, when the election season opens, Mr. Ford could be in bigger political trouble than he is already.

Weather

U.K. TO-DAY

RAIN in the North.

London, E., S.E. and Cent. S. England, E. Anglia, Midlands, Channel Islands
Cloudy but dry. Wind W., moderate or fresh. Max. 11C (52F).

S.W. and N. England, Lakes, Isle of Man, Wales
Rain or drizzle. Wind W., fresh to strong. Max. 10C (50F).

Scotland, N. Ireland
Occasional rain. Wind W., strong or gale. Max. 9C (48F).

Outlook: Rain in most areas.

Lighting-up: London 16.27, Manchester 16.25, Glasgow 16.18, Belfast 16.33.

BUSINESS CENTRES

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Amstrdm.	S	8	46	Manchstr.	R	7	45
Athens	C	11	52	Melbourne	C	31	88
Bahrain	S	18	64	Mexico C.	S	19	67
Barcelona	S	10	50	Milan	S	1	34
Belfast	C	8	46	Montreal	Sn	−8	18
Belgrade	C	−1	30	Moscow	F	−5	23
Berlin	R	3	37	Munich	C	1	34
Birmghm.	C	9	48	Newcastle	S	10	50
Bristol	C	9	48	New York	R	12	54
Brussels	C	6	43	Oslo	S	−2	28
B. Aires	S	29	85	Paris	C	6	43
Cairo	C	24	75	Perth	S	24	75
Cardiff	C	9	48	Prague	C	2	36
Cologne	C	6	43	Reykjavik	C	7	45
Copnhagn.	R	5	41	Rio de J'o	C	26	80
Dublin	C	7	45	Rome	S	13	55
Edinb'gh	F	9	48	Singapore	S	29	85
Frankfurt	F	4	39	Stockholm	F	−3	27
Geneva	S	2	36	Strasb'rg	C	3	37
Glasgow	C	9	48	Sydney	C	22	72
Helsinki	S	−6	21	Tehran	S	5	41
H. Kong	S	19	66	Tel Aviv	C	16	61
Jo'burg	S	23	73	Tokyo	S	10	50
Lisbon	S	9	48	Toronto	Sn	−4	25
London	C	10	50	Vienna	C	3	37
Luxembg.	Fg	1	34	Warsaw	C	0	32
Madrid	S	9	48	Zurich	C	2	36

HOLIDAY RESORTS

		Y'day mid-day °C	°F			Y'day mid-day °C	°F
Ajaccio	S	13	55	Istanbul	Fg	6	43
Algiers	C	12	54	Jersey	C	10	50
Biarritz	C	7	45	Las Plms.	C	20	68
Blackpool	C	8	46	Locarno	S	5	41
Bordeaux	C	8	46	Majorca	F	11	52
Boulogne	C	8	46	Malaga	C	10	50
Casablnca.	S	16	61	Malta	S	14	57
Cape Town	S	23	73	Nairobi	S	24	75
Corfu	F	16	61	Naples	S	11	52
Dubrovnik	S	10	50	Nice	S	12	54
Faro	S	14	57	Oporto	S	13	55
Florence	S	13	55	Rhodes	C	12	54
Funchal	R	14	57	Salzburg	R	2	36
Gibraltar	C	14	57	Tangier	S	17	63
Guernsey	C	10	50	Tenerife	C	13	55
Innsbruck	F	0	32	Tunis	C	10	50
Inverness	F	8	46	Valencia	S	12	54
I. of Man	C	8	46	Venice	Fg	1	34

S—Sunny. F—Fair. C—Cloudy. R—Rain. Fg—Fog. Sn—Snow.

Snow Reports Page 2

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